PoA VALIDATION REPORT

Final

“Argentinean Wind Power Programme (AWPP)”
in
Argentina

Report N°2011-BQ-17-MD

Revision N°1.1

VALIDATION REPORT

Client: Fichtner Carbon Management GmbH	**Client contact:** Dr. Ole Langniß	
PoA Title: "Argentinean Wind Power Programme (AWPP)"	**Country:** Argentina	
Specific CPA Title: San Julian - Parque Eólico	**Country:** Argentina	**Estimated CERs (tCO2e) CPA** 24,110 annual average
Report No.: 2011-BQ-17-MD	**Revision:** 1.1	**Date of this report:** 28/12/2012
Approved by (Final Report – Decision Maker): Roberto Cavanna		**Date of approval:** 28/12/2012

Methodology

Number:	Version:	Title:	Scale	SS(s):
ACM0002	version 13.0.0 of 11/05/2012.	"Consolidated baseline methodology for grid-connected electricity generation from renewable sources"	Large	1

RINA Services S.p.A. (RINA), commissioned by Fichtner Carbon Management GmbH, has performed the validation of the PoA titled "Argentinean Wind Power Programme (AWPP)" in Argentina, with regard to the relevant requirements for CDM PoA activities.

In conclusion, it is RINA's opinion that the PoA titled "Argentinean Wind Power Programme (AWPP)" in Argentina, as described in the PoA-DD version 3.0 of 11/12/2012 and CPA-DD version 3.0 of 11/12/2012, meets all relevant requirements for CDM PoA and all relevant host Party criteria and correctly applies the baseline and monitoring methodology ACM0002 "Consolidated baseline methodology for grid-connected electricity generation from renewable sources" version 13.0.0 of 11/05/2012. Hence RINA requests the registration of the PoA under CDM.

Work carried out by: Cintia Mara Miranda Dias Thaís De Lima Carvalho Américo Varkulya João Carlos Nascimento Alcantara	☒ No distribution without permission from the Client or organizational unit responsible ☐ Strictly confidential ☐ Unrestricted distribution
Work verified by (Final Report – AO Authorized officer signing for the DOE) Laura Severino	**Keywords:** Climate Change, Kyoto Protocol, Clean Development Mechanism, Validation

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Abbreviations

BE	Baseline Emissions
CAR	Corrective Action Request
CDM	Clean Development Mechanism
CDM M&P	Modalities and Procedures CDM
CDM-PCP	Clean Development Mechanism Project Cycle Procedure
CDM-PS	Clean Development Mechanism Project Standard
CDM-VVS	Clean Development Mechanism Validation and Verification Standard
CER(s)	Certified Emission Reduction(s)
CH4	Methane
CL	Clarification Request
CME	Coordinating and Managing Entity
CO2	Carbon dioxide
CO2e	Carbon dioxide equivalent
CP	Certification Program
CPA	Component Programme Activities
CPA-DD	Component Project Activity Design Document
DD	Design Document
DNA	Designated National Authority
DOE	Designated Operational Entity
EB	Executive Board
EIA	Environmental Impact assessment
ER	Emission Reductions
FAR	Forward Action Request
GHG(s)	Greenhouse gas(es)
GWP	Global Warming Potential
IPCC	Intergovernmental Panel on Climate Change
LoA	Letter of Approval
MoV	Means of Verification
MOC	Modalities of Communication Statement
MSC	Micro Scale
MP	Monitoring Plan
MR	Monitoring Report
NGO	Non-governmental Organization
ODA	Official Development Assistance
PDD	Project Design Document
PE	Project Emission
PoA	Programme of Activities
PoA-DD	CMD Programme of Activities Design Document
PP(s)	Project Participant(s)
Ref.	Document Reference
RINA	RINA Services Spa
SS(s)	Sectoral Scope(s)
SSC	Small Scale
UNFCCC	United Nations Framework Convention on Climate Change
VVM	Validation and Verification Manual
VVS	Validation and Verification Standard

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VALIDATION REPORT

1 INTRODUCTION

Fichtner Carbon Management GmbH has commissioned RINA to carry out the validation of the PoA "Argentinean Wind Power Programme (AWPP)" project in Argentina.
This report summarizes the findings of the validation of the project, performed on the basis of UNFCCC criteria for CDM, as well as criteria given to provide for consistent project operations, monitoring and reporting.

1.1 Objective

The objective of the Validation is to have an independent evaluation of a large scale PoA project activity with each generic large scale component project activity (CPAs) and any CPA proposed to be included in the PoA by a designated operational entity against the requirements of the CDM as set out in decision 3/CMP.1, its annex and relevant decisions of the COP/MOP, on the basis of the Programme Design Document (POA-DD) and of the Component Project Activity Design Document (CPA-DD) . In particular, the demonstration of additionality of the PoA as a whole, the eligibility criteria for inclusion of a CPA in the PoA, the baseline determination for each generic CPA, the monitoring plan for each generic CPA, the estimated emission reduction from any CPA proposed in the project and the programme's compliance with relevant UNFCCC requirements and host Party criteria are validated in order to confirm that the programme design, as documented, is sound and reasonable and meets the identified criteria. Validation is a requirement for all CDM PoA projects and is seen as necessary to provide assurance to stakeholders of the quality of the project and its intended generation of certified emission reductions (CERs).

1.2 Scope

The validation scope is to review the PoA-DD/CPA-DD against the UNFCCC criteria for CDM.
UNFCCC criteria for CDM refer to Article 12 of the Kyoto Protocol, the CDM modalities and procedures, the procedures for registration of programme of activity as a single CDM and the subsequent decisions by the CDM Executive Board.
Validation is not meant to provide any consultancy towards the project participants. However, stated requests for clarifications and/or corrective actions may have provided input for improvement of the project design.

2 METHODOLOGY

Validation was conducted using RINA procedures in line with the requirements specified in the CDM M&P, the latest version of the CDM Validation and Verification Standard, and relevant decisions of the COP/MOP and the CDM EB and applying standard auditing techniques.

- The validation consisted of the following three phases:
- Document review;
- Follow-up actions;

The resolution of outstanding issues and the issuance of the final validation report.
The following sections outline each step in more detail.

2.1 Document Review

The PoA-DD, version 3.0 of 11/12/2012 and previous versions /1/, the CPA-DD version 3.0 of 11/12/2012 and previous versions /2/, in particular the applicability of the methodology, the baseline determination, the additionality of the project activity, the starting date of the project, the monitoring plan, the emission reduction calculations provided in the form of a spreadsheet, "FICHT-9480258-v4-CashFlowModel_San_Julian_06122012.XLS" version 3 of 06/12/2012 /5/, were assessed as part of the validation.
The following table lists the documentation that was reviewed during the validation.

/1/	Fichtner Carbon Management GmbH and wpd Argentina S.A.: CDM-PoA-DD for the Argentinean Wind Power Programme (AWPP), version 3.0 of 11/12/2012 Version 2 of 12/09/2012 version 01 of 08/01/2012.
/2/	Fichtner Carbon Management GmbH and wpd Argentina S.A.: CDM-CPA-DD for the San Ju–ian - Parque Eólico/ "Argentinean Wind Power Programme (AWPP)", version 3.0 of 11/12/2012 Version 2 of 12/09/2012 Version 01 of 08/01/2012.
/3/	Fichtner Carbon Management GmbH and wpd Argentina S.A.: CDM-CPA-DD Generic for the "Argentinean Wind Power Programme (AWPP)", version 01 of 08/01/2012
/4/	* CDM Executive Board: ACM0002 "Consolidated baseline methodology for grid-connected electricity generation from renewable sources", version 12.2.0 of 25/11/2011. * CDM Executive Board: ACM0002 "Consolidated baseline methodology for grid-connected electricity generation from renewable sources", version 13.0.0 of 11/05/2012.
/5/	Fichtner Carbon Management GmbH and wpd Argentina S.A. Spreadsheet with Investment Analysis and CERs estimative of San Ju–ian - Parque Eólico – "FICHT-9480258-v4-CashFlowModel_San_Julian_06122012.XLS" version 3 of 06/12/2012 "FICHT-9480258-v1-CashFlowModel_San_Julian_final_120912.XLS" version 2 of 12/09/2012 "FICHT-7888174-v1-CashFlowModel_San_Julian_final_bfore_validation.XLS", version 1,dated 08/01/2012.
/6/	Argentina Secretary of Energy and Secretary of Environment and Sustainable Development web site (Argentina DNA): emission factor spreadsheet "FICHT-7703822-v1-Argentinien_factor__de_emision__2010_Original_file_Secretaria_de_Energia.XLS", no date available. Spreadsheet available to download at <http://energia3.mecon.gov.ar/contenidos/verpagina.php?idpagina=2311> <accessed on 11/04/2012>, language Spanish
/7/	CDM Executive Board: " Clean development mechanism Validation and Verification Standard", version 3.0 of 23/11/2012 CDM Executive Board: "CDM Validation and Verification Man–al" - Version 01.2, dated 30/07/2010.
/8/	* CDM Executive Board: Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for Programme of activities, version 2, dated 23/11/2012 (EB70 – Annex 5). *CDM Executive Board: Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for Programme of activities, version 1, dated 25/11/2011 (EB65 – Annex 3).
/9/	* CDM Executive Board: Tool for the demonstration and assessment of additionality, version 07.0.0, dated 23/11/2012 * CDM Executive Board: Tool for the demonstration and assessment of additionality, version 5.2.1, dated 27/06/2011
/10/	CDM Executive Board: Tool to calculate the emission factor for an electricity system, version 02.2.1, dated 29/09/2011.
/11/	* CDM Executive Board: Glossary of CDM terms, version 07, dated 23/11/2012 * CDM Executive Board: Glossary of CDM terms, version 06, dated 02/03/2012. * CDM Executive Board: Glossary of CDM terms, version 05, dated 19/08/2009
/12/	CDM Executive Board: "Guidelines on the demonstration and assessment of prior consideration of the CDM" (–B62 - Annex 13), version 04, dated 15/07/2011.
/13/	CDM Executive Board: "Guidelines on the assessment of investment analysis", version 05, dated 15/07/2011.
/14/	CDM Executive Board: "Guidelines on common practice", version 02.0, dated 13/09/2012 CDM Executive Board: "Guidelines on common practice", version 01.0, dated 29/09/2011.
/15/	CDM Executive Board: "Guidelines for the reporting and validation of Plant load factors", version 01, dated 17/07/2009.
/16/	Ing. Ind. Rubén Mario Lurbé, Ing. Ind. Exequiel Bock and Ing. Ind. Salvador Lurbé Feasibility study for the Wind Park San Julián, final version, dated February 2012

	(Estudio_de_factibilidad_San_Julian_FINAL.pdf)
/17/	wpd Argentina S.A letter confirming that there is no public funding in the CPA, received on 24/04/2012 (no public subsidy 20110117.pdf)
/18/	UNFCCC web site: project cycle search <http://cdm.unfccc.int/Projects/projsearch.html > accessed on 22/05/2012. Available in English
/19/	Local stakeholder consultation evidences, including DVD with the video of the meeting, attendance list, presentation, dated 16/09/2011.
/20/	Wobben WindPower/ENERCON.: Budgetary prices San Julian 20xE44 20112012.pdf of 22/11/2011.
/21/	CAMMESA:Administrative Company of the Major Electic Market S.A(Compañía Administradora del Mercado Mayorista Eléctrico S.A) .Available in Spanish at: http://portalweb.cammesa.com/MEMNet1/Documentos%20compartidos/VAnual10.pdfAcessed on 1106/2012
/22/	IMF. International Monetary Fund. Website http://www.imf.org/external/country/arg/index.htm?type=9998. Accessed on 11/06/2012.
/23/	OANDA Exchange Operation: Website: http://fxtrade.oanda.co.uk/lang/pt/?&stop-geo-ip=yes&country=brazil&division=fxtrade.oanda.co.uk. Accessed on 11/06/2012.
/24/	World Bank Group.:paying taxes Argentina. pdf, dated 27/02/2012.
/25/	World Bank Group.Website, available in English: http://www.doingbusiness.org/data/exploreeconomies/argentina/paying-taxes/. Accessed on 11/06/2012.
/26/	Republica Argentina: National Incentives for the renewable energy used for the electric energy production (Regimen de Fomento Nacional ara el uso de Fuentes Renovables de energia destina a a la produccion de energia electrica), dated: 06/12/2006. Available in Spanish at: http://organismos.chubut.gov.ar/cree/files/2010/03/Ley_Nacional_26190.pdf. Accessed on 11/06/2012.
/27/	Republica Argentina: Decree No. 562/2009 – Law Regulamentation (Reglamentació ade la Ley) 26.190, dated 20/05/2009. Available in Spanish at: http://organismos.chubut.gov.ar/cree/files/2010/03/Decreto_562-2009.pdf. Accessed on 11/06/2012.
/28/	Wpd think energy GmbH&Co.KG as licensed user of the software WindPRO version 2.7.486 of Jan/2011. File attached by PP as WindPRO_-_Park_San_Julian_1xE44.pdf. Calculated by a third party on 13/10/2011.
/29/	Wpd think energy GmbH&Co.KG as licensed user of the software WindPRO version 2.7.486 of Jan/2011. File attached by PP as WindPRO_-_Park_San_Julian_20xE44.pdf. Calculated by a third party on 13/10/2011.
/30/	wpd Argentina S.A..: FICHT-776320-V1-Benchmark_calculation.xls Spreadsheet. No date available
/31/	UNFCCC web site status of ratification available at < http://unfccc.int/kyoto_protocol/status_of_ratification/items/2613.php> and national authorities available at < http://cdm.unfccc.int/DNA/index.html> accessed on 04/12/2012, available in English
/32/	IEC 61400-1: 2007, International standard –Wind turbines: design requirements Edition 3.0 2005-08, that described that the design lifetime for wind turbines classes I and III shall be at at least 20 years (page 23) (FICHT-9672831-v1-IEC_61400-1_Standard_Evidence_(pg23).pdf)
/33/	CDM Executive Board: F-CDM-MOC (Modalities of Communication Statement) form, Version 02.1, dated 16/03/2012.
/34/	Modalities of Communication Statement, dated 04/12/2012 (1. Modalities of Comunication Statement (firmado).pdf)
/35/	Modalities of Communication Statement support documents: Email received from wpd Argentina S.A: * **wpd Argentina S.A** - Copy Register wpd Argentina (2a.Copy Register wpd Argentina.PDF) -Personal identity of Mr. Lars Meyer Ohlendorf (2b.Personal_identity_Lars Meyer_Ohlendorf.PDF) * **Fichtner Carbon Management GmbH**

	-Original Copy of Register Fichtner Carbon Management (3a.Original_Copy_of_Register_Fichtner_Carbon_Management.PDF) -Digital Copy of Register FichtnerCarbon121123_German (3b. Digital_Copy_of_Register_FichtnerCarbon121123_German.PDF) - Copy Register FichtnerCarbon121123_English (3c. Copy_Register_FichtnerCarbon121123_English.PDF) - Personal identity of Mr. Nino Turek (3d. Personal_identity_Nino_Turek.PDF) - Personal identity of Mr. Ole Langniss (3e. Personal_identity_Ole_Langniss.PDF)
/36/	CDM Executive Board F-CDM-PoA-DD: Programme design document form for CDM programmes of activities version 3.0, dated 3/12/2012
/37/	CDM Executive Board: Component project activity design document form (F-CDM-CPA-DD)version 2.0, dated 13/03/2012
/38/	CDM Executive Board Guideline: Completing the programme design document form for CDM programmes of activities, version 03.1, dated 03/12/2012
/39/	CDM Executive Board: “CDM Project Cycle Procedure” (–CP) - version 03.0, dated 23/11/2012
/40/	CDM Executive Board: “CDM Project Standard” –PS) - Version 02.1, dated 03/12/2012
/41/	wpd Argentina S.A communication with the environmental agency of Santa Cruz, letter dated 02/11/2012 stamped by the environmental agency on 04/12/2012. Letter confirms the delivery of the EIA. (Confirmation receipt–EIA - Santa Cruz.pdf)
/42/	Central Intelligence agency, Geographical coordinates of Argentina available in English at < https://www.cia.gov/library/publications/the-world-factbook/geos/ar.html> assessed on 04/12/2012
/43/	Services signed agreement between RINA and Fichtner Carbon Management GmbH, dated 22/12/2011
/44/	Scudelati & Asociados Asesores: Wind Farm San Julián (Evironmental Impact Assessement (Evaluación de Impacto Ambiental Parque Eólico de Puerto San Julián), number EIA PESJ 003/12, dated 28/09/2012
/45/	FICHT-9821184-v1-CW-Oferta_Económica_TP07571_R0_Fundaciones.pdf, dated 28/11/2012.
/46/	FICHT Spreadsheet with prices signed (FICHT-9821186-v1-Planilla-precios-CW-Firmada.pdf), dated 28/11/2012.
/47/	ENERCON: EPK-Windblatt Enercon (for OM costs from 13th year on).pdf, dated 08/06/2012.
/48/	Deutsche Windtechnik Repowering GmbH & Co.KG: Cost Estimate for demolition of an Enercon -44 NH 45m/ Raft foundation, dated 30/07/2012 (2012-09-05_Cost estimation dismantling E-44.pdf)’
/49/	Argentina Governemnt Energy Department energy power plants available in Spanish at< http://energia3.mecon.gov.ar/contenidos/verpagina.php?idpagina=3451> assessed on 11/12/2012.
/50/	wpd Argentina S.A common practice spreadsheet “FICHT-9870892-v2-FICHT-9866047-v1-Common_practice_analysis.XLSX”, no date available.
/51/	UNFCCC. CDM Methodological Panel. Information Note from the 50th Meeting Report, Default values for equity return for CDM projects dated 15/07/2011.
/52/	CAMMESA: Administrative Company of the Major Electic Market S.A- Comercial Measurements (Compañía Administradora del Mercado Mayorista Eléctrico S.A: Sistema-de-Medición-Comercial_SMEC.pdf,) dated 08/06/2012.
/53/	US Department of State. Bureau of Economic, Energy and Business Affairs: US-Department_2009-Investment-Climate—Statement-Argentina.pdf, dated 08/06/2012.
/54/	Labriola, Carlos V.M: Wind Potential in Argentina, situation and prospects. Wind-Potential-in-Argentina-situations-prospects_labriocarlos.pdf, dated 08/06/2012.
/55/	Câmara Argentin a rgiasrgías Renovables.: Wind Industry in Argentina 2009 (Estad ade la Industria Eóemca en Argentina 2009). EstudioEolicoCADER2009.pdf, dated 08/06/2011.
/56/	wpd Argentina S.A and Fichtner Carbon Management document number 7175F07/FICHT-4993103-v1, history/timeline of the San Julian actions in order to implement the project.
/57/	Federal Environmental Agency; German Emissions Trading Authority Letter of Approval, dated 21/12/2012 (ZUB_CT_18410-0446.pdf)
/58/	Federal Environmental Agency; German Emissions Trading Authority web site available in

	English at https://www.jicdm.dehst.de/promechg/pages/project4.aspx?DID=302808 accessed on 21/12/2012
/59/	wpd Argentina S.A declaration letter confirming that the San Julian project will be only registered as a CPA under the PoA Argentinean Wind Power Programme (AWPP), dated 21/12/2012. The declaration also confirms tha San Julian project is not part of any voluntary scheme .
/60/	Argentina DNA Letter of Approval for PoA Argentinean Wind Power Programme (AWPP), dated 27/12/2012. LoA also authorizes wpd Argentina S.A. as CME (
/61/	Email from Argentina DNA (cambioclimatico@ambiente.gob.ar) delivering the LoA to the wpd Argentina S.A, dated 27/12/2012

2.2 Follow-up actions

On 17-18/04/2012, RINA visited Puerto San Julián in Santa Cruz Region, Argentina, where the CPA San Ju–ian - Parque Eólico will be implementes to resolve questions and issues identified during the document review and to perform interviews with relevant stakeholders in the host country.
The key personnel interviewed and the main topics of the interviews are summarized in the table below.

	Date	Name and Role	Organization	Topic
/a/	17-18/04/2012	Mr. Lars Meyer-Ohlendorf, President	wpd Argentina S.A	Project implementation; project description, additionality, local stakeholder consultation, Environmental licenses
/b/	17/04/2012	Mr. Sergio Medina-Environmental Secretary	Santa Cruz Environmental Agency	Environmental licenses process
/c/	17-18/04/2012	Mr. Ole Langniß-CDM developer	Fichtner Carbon Management GmbH	Project description, additionality; local stakeholder consultation, baseline; CERs calculation
/d/	17-18/04/2012	Mr. Rafael B. Oliva-project consultant	L&R Ingeniería/ Patagonia University (UNPA)	Project implementation; local stakeholder consultation
/e/	18/04/2012	Mr. José F. Gonzalez-university professor	Patagonia University (UNPA)	local stakeholder consultation
/f/	18/04/2012	Mr. Nelson Daniel Gleadell- major of Puerto San Julian municipality	Municipality of Puerto San Julian	local stakeholder consultation
/g/	18/04/2012	Mr. Omar Javier Vaca- – Secretary-Social Action of Municipality of Puerto San Julian	Municipality of Puerto San Julian	local stakeholder consultation
/h/	18/04/2012	Mr. Daniel C. Gleadell- – Public Services and Construction Secretary of Municipality of Puerto San Julian;	Municipality of Puerto San Julian	local stakeholder consultation
/i/	18/04/2012	Ms. Natalia Collm – university professor	OIKOS Group / Patagonia University (UNPA)	local stakeholder consultation

2.3 Resolution of outstanding issues

The objective of this phase of the validation is to resolve any outstanding issues which need to be clarified for RINA's positive conclusion on the project design.
To guarantee transparency a validation protocol has been customized for the project. The protocol shows in a transparent manner the requirements, means of validation and the results from validating the identified criteria. The validation protocol consists of four tables; the different columns in these tables are described in the figure below (see Figure 1). The completed validation protocol is enclosed in Appendix A to this report.
A corrective action request (CAR) is raised if one of the following occurs:

The project participants have made mistakes that will influence the ability of the project activity to achieve real, measurable additional emission reductions.

The CDM requirements have not been met.

There is a risk that the emission reductions cannot be monitored or calculate.
A clarification request (CL) is raised if information is insufficient or not clear enough to determine whether the applicable CDM requirements have been met.
A forward action request (FAR) is raised during validation to highlight issues related to project implementation that require review during the first verification of the project activity. FARs shall not relate to the CDM requirements for registration. CARs, CLs and FARs identified are included in the validation protocol in Appendix A of this report.

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Figure 1 Validation protocol tables

Validation Protocol, Table 1 - Mandatory requirement		
Requirement	**Reference**	**Conclusion**
The requirements the project must meet.	Makes reference to the documents where the answer to the requirement is found.	This is either acceptable based on evidence provided (OK), or a Corrective Action Request (CAR) if a requirement is not met. A request for clarification (CL) is used when the validation team has identified a need for further clarification.

Validation Protocol, Table 2 - Requirement checklist				
Checklist Question	**Ref.**	**MoV**	**Comments**	**Conclusion**
The various requirements in Table 1 are linked to checklist questions the project should meet. The checklist is organized in three different parts; Part I (Programme of Activities); Part II (Generic CPA); and CPA Part. Each part is organized in different sections.	Makes reference to documents where the answer to the checklist question or item is found.	Explain how conformance with the checklist question is investigated. Examples are document review (DR), interview or any other follow-up actions (I), cross checking (CC) with available information relating to projects, (N/A) means not applicable.	The discussion on how the conclusion is arrived at and the conclusion on the compliance with checklist question so far.	For CAR, CL and FAR see the definitions above. OK is used if the information and evidence provided is adequate to demonstrate compliance with CDM requirements.

Validation Protocol, Table 3 - Resolution of Corrective Action Requests and Clarification			
Corrective action requests and/or clarification requests	**Reference to Table 2**	**Response by project participants**	**Validation Conclusion**
The CAR and/or CLs raised in table 2 are repeated here.	Reference to the checklist question number in Table 2 where the CAR or CL is explained.	The responses given by the project participants to address the CARs and/or CLs.	The validation team's assessment and final conclusion of the CARs and/or CLs.

Validation Protocol, Table 4 - Forward Action Requests (if no FAR the table 4 is deleted)		
Forward action request	**Reference to Table 2**	**Response by project participants** **Validation Conclusion**
The FAR raised in table 2 is repeated here.	Reference to the checklist question number in Table 2 where the FAR is explained.	Response by the project participants on how forward action request will be addressed prior to first verification.

2.4 Internal quality control

All the revisions of the validation report before being submitted to the client were subjected to an independent internal technical review to confirm that all validation activities had been completed according to the pertinent RINA instructions.
The technical review was performed by a technical reviewer(s) qualified in accordance with RINA's qualification scheme for CDM validation and verification.

2.5 Validation team and the technical reviewer(s)

The validation team and the technical reviewers consist of the following personnel:

Role/Qualification	Last Name	First Name	Country
Team Leader until 31/08/2012	Mara Miranda Dias	Cintia	Brazil
Team Leader from 01/09/2012	De Lima Carvalho	Thaís	Brazil
Validator/Technical Expert	De Lima Carvalho	Thaís	Brazil
CDM Validator	Varkulya Junior	Américo	Brazil
Technical Reviewer	San Valero	Vicente	Brazil
Financial Expert	Nascimento Alcantara	João Carlos	Brazil
Technical Reviewer	Valoroso	Rita	Italy

3 VALIDATION FINDINGS

The findings of the validation related to the project, as described in the PoA-DD version 3.0 of 11/12/2012 and previous versions /1/, the CPA-DD version 3.0 of 11/12/2012 and previous versions /2/ are stated in the following sections.
The validation requirements, the means of validation and the results from validating the identified criteria are documented in more detail in the validation protocol in Appendix A.

3.1 Approval, Authorization and Participation

Participation
The project's host Party is Argentina and the Annex I Party is Germany.
Argentina and Germany fulfil the requirements to participate in the CDM. Both have ratified the Kyoto protocol and established a DNA as the participating requirements for CDM under the Kyoto Protocol. Argentina ratified the Kyoto Protocol on 28/09/2001 and established as DNA Oficina Argentina del Mecanismo para un Desarollo Limpio as per the UNFCCC website /31/; Germany ratified the Kyoto Protocol on 31/05/2002 and established as DNA German Emissions Trading Authority as per the UNFCCC website /31/.

Project Participants and CME.
The project participant(s) is wpd Argentina S.A. from Argentina and Fichtner Carbon Management GmbH from Annex I country, both participants are private entities. The CME, as the entity which communicates with the Board is identified in wpd Argentina S.A from Argentina. The project participants are correctly listed in table A.4 of the PoA-DD and the information is consistent with the contact details provided in Appendix 1 of the PoA-DD /1/ as well the contact information of the designated CME.

CPA Implementer(s).
The CPA implementer(s) is wpd Argentina S.A. from Argentina. The CPA implemente is correctly listed in section A.3 of the PoA-DD and in section A.4 of the CPA-DD.

LoA(s).

VALIDATION REPORT

The DNA of Argentina issued a Letter of Approval on 27/12/2012, authorizing wpd Argentina S.A. as project participant and confirming that the project assists in achieving sustainable development and the CDM project activity contributes to the sustainable development of the Host Country /60/. The Letter of Approval from Germany was issued on 21/12/2012, authorizing Fichtner Carbon Management GmbH as project participant/57/. Both the letters were received from the PP /60/ /57/and refer to the precise proposed Programme of Activities title in the POA-DD submitted for registration /1/.
The coordinating/managing entity (CME) also obtained authorization of its coordination of the PoA from host Party (Argentina). The authorization is included in the LoA /60/.
The authenticity of the letters of approval and authorization has been validated by verifying DNA web site (Germany) /58/ and by the email delivering the LoA /61/ Both the letters have been issued by the respective DNAs of the Host Party and the Annex I Party for the specific proposed project activity and RINA has not found reason to doubt their authenticity. By checking the above documents /57/ /58/ /60/ /61/ RINA considers both the LoAs in accordance with paragraphs 39-42 of the CDM-VVS /7//, and the CME has been authorized in accordance to para 10 of Procedure for registration of a Programme of activities /60/.

Public funding of PoA and of the CPA
The proposed CPA San Ju–ian - Parque Eólico does not involve any public funding from an Annex I Party, and the validation did not reveal any information that indicated that the project could be seen as a diversion of official development assistance (ODA) funding towards the host country. /17/

Confirmation for CPA
The CPA San Ju–ian - Parque Eólico is neither registered as an individual CDM project activity nor is part of another registered PoA nor a voluntary scheme. wpd Argentina S.A has provided a declaration letter dated 21/12/2012 confirming that the San Julian project will be only registered as a CPA under the PoA Argentinean Wind Power Programme (AWPP). /59/./18/

Project participants	wpd Argentina S.A.	Fichtner Carbon Management GmbH
Parties involved	Argentina	Germany
APPROVAL		
LoA received	Yes/60/	Yes/57/
Date of LoA	27/12/2012	21/12/2012
LoA received from	wpd Argentina S.A.	Fichtner Carbon Management GmbH
Validation of authenticity	Yes /61/	Yes /58/
Validity of LoA	Yes /60/	Yes /57/
PARTICIPATION		
Party is party to Kyoto Protocol	Yes	Yes
Voluntary participation	Yes	Yes
Project contribution to SD	Yes	N/A
CME Coordination Approval	Yes /60/	N/A

3.2 Modalities of communication

The MoC dated 04/12/2012 /35/ /4/ was provided by wpd Argentina S.A. (CME) and Fichtner Carbon Management GmbH with whom RINA has a contractual relationship confirmed by the request of services signed on 22/12/2011 /43/. The corporate identity of all PPs and focal points (Mr. Lars Meyer Ohlendorf from wpd Argentina S.A ; Mr. Nino Turek and Mr. Ole Langniss from Fichtner Carbon Management GmbH) included in the MoC statement, as well the personal identities, the signatures and the related authorized signatures, and the employment status have been cross-checked through Copy of Register wpd Argentina, Personal identity of Mr. Lars Meyer Ohlendorf, Copy of Register Fichtner Carbon Management, Personal identity of Mr. Nino Turek and Personal identity of Mr. Ole Langniss /35/.

RINA confirms that the MoC statement provided by the CME /34/ is based on the currently valid form "Modalities of Communication Statement" (F-CDM-MOC) /33/, the information required by the form including its Annex 1 is correctly completed, and the PP(s) authorized signatories signing the MoC correspond to the PP(s) authorized signatories included in Annex 1.

In conclusion, RINA confirms that the MoC statement provided by the PP(s) is in accordance with the requirements in para 54-57 as well it is in accordance with the requirements in para 60 of the CDM-VVS /7/.

3.3 PoA/CPA design document

The PoA-DD and the CPA-DD for the project activity "Argentinean Wind Power Programme (AWPP)", in "Argentina", version 3.0 of 11/12/2012 and previous versions /1/ /2/ submitted by the Fichtner Carbon Management GmbH have been the basis for the validation process.
RINA confirms that the above DD is based on the currently valid PoA-DD template /36/and CPA-DD template /37/and are completed in accordance with the applicable guidance document /38/

The main changes between the PoA-DD version 01 of 08/01/2012 published for GSC and the PoA-DD version 3.0 of 11/12/2012 submitted for registration are the following:

Section of the PoA-DD	Description and reason for changing the information in that section
All sections	Updated in accordance with the VVS
A.2	Description on how the PoA contributes to sustainable development
All sections	Updated version of the methodology and tools
F	Inclusion of the local stakeholder level
B.7.1	Inclusion of parameters applicable to capacity addition projects
B.6.2	Revision on the parameters available at validation
B.7.1	Revision on the monitored parameters
A.3; C	Revision on the CME due to a DNA request
B.2; B.5	Revision on the eligibility criteria to be in accordance with ACM0002 requirements
D.1	Revision on the PoA starting date in accordance with CDM Glossary version 7

The main changes between the CPA-DD version 01 of 08/01/2012 published for GSC and the CPA-DD version 3.0 of 11/12/2012 submitted for registration are the following:

Section of the CPA-DD	Description and reason for changing the information in that section
All sections	Updated in accordance with the VVS
All sections	Revision on the CPA name through the document
A.5	Revision on the turbines number that was inconsistent and description how the CPA reduces GHG

A.7	Revision on the geographical coordinates in accordance with the feasibility study
A.9	Revision on the starting date and crediting period that were exchanged
A.1	Revision on the PoA name
D.5	Revision on the common practice analysis
D.5	Revision on the financial analysis, including sensitivity analysis
D.6.2	Revision on the parameters available at validation to be in accordance with the methodology
D.7.1	Revision of the monitored parameter to be in accordance with the methodology
B.2	Inclusion on the environmental licenses process

3.4 Programme Design

3.4.1 Programme of activity PoA

Purpose and general description

The Argentinean Wind Power Programme (AWPP) aims at developing a series of grid-connected wind power plants in Argentina.

The Argentinean Wind Power Programme (AWPP) seeks to accelerate deployment of wind power in Argentina by providing a streamlined implementation process. In particular, with the introduction of a PoA, access for Argentinean wind power plants to the CDM is eased through lower transaction costs and providing certainty to investors through ex-ante defined framework conditions. The CDM is of particular importance for the deployment of wind power in Argentina since the CDM creates a certain revenue stream from outside Argentina thereby increasing the profile of such projects for international investors and easing the purchase of equipment predominantly only available on international markets

Geographic references

The PoA is located in Argentina (host country).All CPAs will be implemented within the geograpic boundary of Argentina.

Technology(ies)/measure(s)

All CPAs under the proposed PoA will be wind power farms which will typically consist of one or several wind turbines. Wind power is not a technology commonly used in Argentina /49/, thus this PoA will support bringing state of the art technology to Argentina. The capacity of each CPA may range from a few Megawatts up to several hundred Megawatts. The wind farms will feed electricity into the Argentinean power grid

Contribution to sustainable development

The PoA considers the contribution to sustainable development in the environmental, social and economical areas. The Argentinean Wind Power Programme (AWPP) promotes and creates new employment opportunities, promotes new technologies and capacity building. It increases the national origin of equipment and services used in wind power plants through local industrial development promotion and regional economies development. .

The contribution to sustainable development is confirmed by the Argentina DNA in the LoA /60/.

3.4.2 Generic Component project activity CPA

Purpose and general description

The purpose of each generic CPA is the installation of a wind farm at a site where there has not been any previous non-renewable nor renewable power generation plant or will consist of a capacity addition to an existing wind farm. The CPA moreover will generate electricity which will be fed into the electricity

grid of Argentina. The installation of wind farms will reduce greenhouse Gas emissions occurring from electricity generation by displacing fossil fuel based electricity generation through renewable energy

3.4.3 Specific Component Project Design CPA

Description of the CPA

The proposed CPA “San Julian - Parque Eólico” comprises the installation of a new grid-connected wind farm under the PoA “Argentinean Wind Power Programme (AWPP)”. The installed capacity of the wind farm is 17.1 MW and it is located in Santa Cruz Region. The generated electricity will be fed into the Argentinean grid. /16/

Technical description of the CPA and implementation status

The San Julian - Parque Eólico project comprises a total of 19 wind turbines with an individual capacity of 900 kW each. The wind farm will be implemented in three stages. In a first step a testing pilot wind turbine will be erected feeding into the local isolated power grid of San Julian. This wind turbine is not part of this CDM programme activity because it will initially feed only into the local grid which is not connected to the central grid. Once the central Argentinean power grid is available in close proximity to the project site, 4 wind turbines with a total capacity of 3.6 MW will be installed. Commissioning date is planned for Jan 2014. The third phase comprises 15 Turbines is forecast to be erected by June 2015. Only the 19 turbines from Phase II and Phase III are part of this CPA.

RINA visited the site of the project activity to confirm that the project activity is a Greenfield project and the installation had not been started. The project description was assessed in the feasibility study provided by a third part /16/.

Geographic reference

The San Ju–ian - Parque Eólico is located in Argentina (host country), Santa Cruz province, in the following geographical coordinates, confirmed in the feseability study /16/ : Latitude: -49.2914°, Longitude: -67.8607°

Estimated Emission Reductions

The total GHG emission reductions from San Ju–ian - Parque Eólico are estimated to be 241,100 tCO_2e during the fixed crediting period of 10 years startinf from 01/01/2014 or the start of operation whichever comes later, resulting in an annual average emission reductions of 24,110 tCO_2e / year /5/. The CPA reduces GHG emissions delivering renewable energy to the Argentina National grid.

RINA was able to verify all the documented evidence listed above during the validation process and can confirm that data and considerations are complete and accurate. Moreover RINA confirms that the description of the proposed PoA, as contained in the PoA-DD and CPA-DD sufficiently covers all relevant elements, is accurate and complete and that it provides the reader with a clear understanding of the nature of the proposed CDM project activity.

3.5 Duration of the PoA/CPA

3.5.1 Duration of PoA

RINA confirms that the length of a PoA does not exceed 28 years. The starting date of the PoA is 20/01/2012 defined as the date of publication of the PoA-DD for global stakeholder consultation in accordance (in accordance with the CDM Glossary of Terms, version 7. /11/. As the starting date of the PoA is the date of global stakeholder consultation, the notification of prior consideration is not necessary.

The starting date of the CPA is determined by the earliest date at which either the implementation or construction or real action of the CPA begins (i.e. civil works, wind turbines or other relevant contract is signed.

3.5.2 Duration of the Component Project Design CPA

The expected operation lifetime of the CPA San Ju–ian - Parque Eólico is 20 years and this has been cross checked by IEC 61400-1: 2007, International standard –Wind turbines: design requirements /32/. A fixed crediting period of 10 years was selected starting 01/01/2014 or the start of operation, whichever comes later. The length of the crediting period is clearly defined and deemed reasonable for this project activity.
The starting date of the San Ju–ian - Parque Eólico is forecasted to be on 01/01/2013 or the date of the turbine purchase contract whichever comes later. The turbines purchase represents the earliest date at which either the implementation or construction or real action of the CPA begins in accordance with the CDM Glossary of Terms, version 7 /11/. During the site visit, Rina verfied that no contracts were signed neither project implementation had started.

RINA was able to verify all the documented evidence listed above during the validation process. RINA confirms that the start date of any CPA is not prior to the commencement of the validation of the PoA, which is the date the CDM-PoA-DD version 01 of 08/01/2012 /1/ is first published for global stakeholder consultation.

3.6 Application of selected baseline and monitoring methodology

3.6.1 Selected baseline and monitoring methodology(ies) at PoA level

The “Argentinean Wind Power Programme (AWPP)” applies the methodology ACM0002 “Consolidated baseline methodology for grid-connected electricity generation from renewable sources” version 13.0.0 of 11/05/2012 /4/

3.6.2 Application of a baseline and monitoring methodology of each generic CPA

The approved baseline and monitoring methodology selected to be applied to each CPA in this PoA is ACM0002 “Consolidated baseline methodology for grid-connected electricity generation from renewable sources” version 13.0.0 of 11/05/2012 /4/

This methodology refers also to the latest approved versions of the following tools that are applicable to the CPAs:

- “Tool to calculate the emission factor for an electricity system”/10/, used by the Argentina DNA to calculate the grid emission factor
- “Tool for the demonstration and assessment of additionality” /9/ used to assess the additionality of the CPAs.

The methodology ACM0002 V.13.0.0 is applicable for CPAs under “Argentinean Wind Power Programme (AWPP)” under the following conditions:

> This methodology is applicable to grid-connected renewable power generation project activities that (a) install a new power plant at a site where no renewable power plant was operated prior to the implementation of the project activity (greenfield plant); (b) involve a capacity addition; (c) involve a retrofit of (an) existing plant(s); or (d) involve a replacement of (an) existing plant(s).

A CPA will consist in the installation of either a new grid-connected power generation project activity (wind) where no renewable power plant was operated prior do the implementation of the CPA (a) or involve capacity addition to an existing wind farm (b).

The methodology is applicable under the following conditions:

- The project activity is the installation, capacity addition, retrofit or replacement of a power plant/unit of one of the following types: hydro power plant/unit (either with a run-of-river reservoir or an accumulation reservoir), wind power plant/unit, geothermal power plant/unit, solar power plant/unit, wave power plant/unit or tidal power plant/unit;
- In the case of capacity additions, retrofits or replacements (except for capacity addition projects for which the electricity generation of the existing power plant(s) or unit(s) is not affected): the existing plant started commercial operation prior to the start of a minimum historical reference period of five years, used for the calculation of baseline emissions and defined in the baseline emission section, and no capacity addition or retrofit of the plant has been undertaken between the start of this minimum historical reference period and the implementation of the project activity;

A CPA will consist in the installation of a power plant of the following type: wind farm

The CPA will be wind power plant t thus the criteria applicable to hydro power plant are not discussed.

The methodology is not applicable to the following:

- Project activities that involve switching from fossil fuels to renewable energy sources at the site of the project activity, since in this case the baseline may be the continued use of fossil fuels at the site;
- Biomass fired power plants;
- A hydro power plant that results in the creation of a new single reservoir or in the increase in an existing single reservoir where the power density of the reservoir is less than 4 W/m^2.

A CPA will neither include fuel switching nor will it be a biomass fired power plant or a hydro power plant.

In the case of retrofits, replacements, or capacity additions, this methodology is only applicable if the most plausible baseline scenario, as a result of the identification of baseline scenario, is “the continuation of the current situation, i.e. to use the power generation equipment that was already in use prior to the implementation of the project activity and undertaking business as usual maintenance.

In case a CPA involves a capacity addition to an existing grid-connected renewable power plant/unit, the baseline scenario is the following:

In the absence of the CPA, the existing facility would continue to supply electricity to the grid at historical levels, until the time at which the generation facility would likely be replaced or retrofitted. From that point of time onwards, the baseline scenario is assumed to correspond to the project activity, and no emission reductions are assumed to occur.

3.6.3 Application of a baseline and monitoring methodology of specific CPA

The methodology ACM0002 V.13.0.0 is applicable for the CPAs San Ju–ian - Parque Eólico as follow:

This methodology is applicable to grid-connected renewable power generation project activities that (a) install a new power plant at a site where no renewable power plant was operated prior to the implementation of the project activity (greenfield plant); (b) involve a capacity addition; (c) involve a retrofit of (an) existing plant(s); or (d) involve a replacement of (an) existing plant(s).

The San Ju–ian - Parque Eólico consists on the installation of a Greenfield grid-connected wind power plant, confirmed through site inspection and feasibility study /16/.

The methodology is applicable under the following conditions:

- The project activity is the installation, capacity addition, retrofit or replacement of a power plant/unit of one of the following types: hydro power plant/unit (either with a run-of-river reservoir or an accumulation reservoir), wind power plant/unit, geothermal power plant/unit, solar power plant/unit, wave power plant/unit or tidal power plant/unit;
- In the case of capacity additions, retrofits or replacements (except for capacity addition projects for which the electricity generation of the existing power plant(s) or unit(s) is not affected): the existing plant started commercial operation prior to the start of a minimum historical reference period of five years, used for the calculation of baseline emissions and defined in the baseline emission section, and no capacity addition or retrofit of the plant has been undertaken between the start of this minimum historical reference period and the implementation of the project activity;

The San Ju–ian - Parque Eólico consists on the installation of a new wind farm confirmed through site inspection/interviews and feasibility study /16/.

The CPA will be wind power plants thus the criteria applicable to hydro power plant are not discussed.

The methodology is not applicable to the following:

- Project activities that involve switching from fossil fuels to renewable energy sources at the site of the project activity, since in this case the baseline may be the continued use of fossil fuels at the site;
- Biomass fired power plants;
- A hydro power plant that results in the creation of a new single reservoir or in the increase in an existing single reservoir where the power density of the reservoir is less than 4 W/m^2.

The San Ju–ian - Parque Eólico CPA will neither include fuel switching nor will it be a biomass fired power plant or a hydro power plant. It is a Greenfield wind power plant.

In the case of retrofits, replacements, or capacity additions, this methodology is only applicable if the most plausible baseline scenario, as a result of the identification of baseline scenario, is “the continuation of the current situation, i.e. to use the power generation equipment that was already in use prior to the implementation of the project activity and undertaking business as usual maintenance.

Not applicable since San Julian - Parque Eólico project is not a capacity addition, retrofit or replacement project, confirmed through site inspection/interviews and feasibility study /16/.

RINA hereby confirms that the selected simplified baseline and monitoring methodology has been previously approved by the CDM Executive Board and is applicable to the PoA/CPA, which complies with all the applicability conditions therein

xx

3.6.4 Project activity elegibility / Debundling

Not applicable, the PoA is Large scale.

3.7 Physical / Geographical boundary

3.7.1 Physical / Geographical boundary of the PoA

As per the PoA-DD /1/ the geographic boundary of the PoA is Argentina. The geographical coordinates of Argentina are: 34° 00’ S, 64°00 W’ confirmed in the Central Intelligence agency web site /42/. By checking the information, site visit and evidences available /6/ RINA determinates that, in establishing the boundary of the PoA, the project participants have taken into consideration all applicable national and/or sectoral policies and regulations within that chosen boundary that is the country.

3.7.2 Physical / Geographical boundary – Sources and GHGs of the generic CPA

According to the approved baseline and monitoring methodology ACM0002 "Consolidated baseline methodology for grid-connected electricity generation from renewable sources" version 13.0.0 of 11/05/2012 /4/ the project boundary of the CPA /2/ includes the project power plant and all power plants connected physically to the electricity system that the CPA power plant is connected to. .
Emissions sources included in the project boundary are shown in the table below:

	GHGs involved	Description
Baseline emissions	CO2	CO2 emissions from electricity generation in fossil fuel fired power plants that are displaced due to the project activity.
Project emissions	N/A	Wind farms do not have any emissions associated to operation. According to ACM0002, no project emissions have to be included for wind power plants.
Leakage	N/A	According to ACM0002 , no leakage has to be considered for the project activity The main emissions potentially giving rise to leakage in the context of electric sector projects are emissions arising due to activities such as power plant construction and upstream emissions from fossil fuel use (e.g. extraction, processing, transport). These emissions sources are neglected.

/16/.

3.7.3 Physical / Geographical boundary – Sources and GHGs of the Specific CPA

According to the approved baseline and monitoring methodology ACM0002 "Consolidated baseline methodology for grid-connected electricity generation from renewable sources" version 13.0.0 of 11/05/2012 /4/ the project boundary of the CPA /2/includes the project power plant-San Julian and all power plants connected physically to the electricity system (National Argentinean grid)that the CPA power plant is connected to. Emissions sources included in the project boundary are shown in the table below:

	GHGs involved	**Description**
Baseline emissions	CO_2	CO_2 emissions from electricity generation in fossil fuel fired power plants that are displaced due to the project activity.
Project emissions	N/A	Wind farms do not have any emissions associated to operation. According to ACM0002 version 13.0.0, no project emissions have to be included for wind power plants.
Leakage	N/A	According to ACM0002 version 13.0.0, no leakage has to be considered for the project activity The main emissions potentially giving rise to leakage in the context of electric sector projects are emissions arising due to activities such as power plant construction and upstream emissions from fossil fuel use (e.g. extraction, processing, transport). These emissions sources are neglected.

Emission sources which are not addressed by the applied methodology and which are expected to contribute more than 1% of the overall expected average annual emissions reduction have not been identified
By checking the information and evidences available /16/ and by the physical site, RINA can confirm that all the emission sources and gases have been included in the project boundary and the description in the CPA-DD is accurate and complete, and also that the selected sources and gases are justified for the proposed project activity.

3.8 Additionality

3.8.1 Eligibility criteria

As for the assessment in the table below, RINA confirms that the eligibility criteria for inclusion of a CPA in the PoA are in accordance with the Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for programme of activities, version 2 of 23/11/2012 /8/. Moreover RINA confirms that generic CPA(s) and specific CPA(s) meet these minimum eligibility criteria.
In accordance with the methodology ACM0002 version 13.0.0 /4/ as the PoA includes two project types (Greenfield and Capacity addition) the eligibility criteria are described for each type of CPA separately.

(a) The geographical boundary of the CPA including any time-induced boundary consistent with the geographical boundary set in the PoA;
- **Greenfield Eligibility Criteria:** A Greenfield type CPA must be located within the geographical boundaries of Argentina. The CME will check this based on the geographical coordinates of the project
- **Capacity addition Eligibility Criteria:** A Capacity Addition type CPA must be located within the geographical boundaries of Argentina. The CME will check this based on the geographical coordinates of the project.
-**San Ju–ian - Parque Eólico demonstration eligibility:** The project is located within the geographical boundaries of Argentina and will be connected to the Argentinean grid, confirmed by the CME based on the geographical coordinates. RINA confirmed the geographical coordinates in the feasibility study. Also a site visit was conducted. /16/

(b) Conditions that avoid double counting of emission reductions like unique identifications of product and end-user locations (e.g. programme logo);
- **Greenfield Eligibility Criteria:** An activity that has been proposed as stand-alone CDM project activity in Argentina or which is part of another CDM project activity is not eligible for inclusion into the PoA. In order to guarantee compliance with this criterion the geographical coordinates and the installed capacity of each CPA saved in a data base will be crosschecked with the geographical coordinates and installed capacity of new CPAs proposed for inclusion into the PoA as well as with wind power projects submitted for prior consideration of CDM/validation/registration as published on the UNFCCC website.
- **Capacity addition Eligibility Criteria:** An activity that has been proposed as stand-alone CDM project activity in Argentina or which is part of another CDM project activity is not eligible for inclusion into the PoA. In order to guarantee compliance with this criterion the geographical coordinates and the installed capacity of each CPA saved in a data base will be crosschecked with the geographical coordinates and installed capacity of new CPAs proposed for inclusion into the PoA as well as with wind power projects submitted for prior consideration of CDM/validation/registration as published on the UNFCCC website.
-**San Ju–ian - Parque Eólico demonstration eligibility:** The project has neither been proposed as stand-alone CDM project activity in Argentina nor is it part of another CDM project activity. This has been verified and confirmed by the CME by crosschecking the installed capacity of San Julian - Parque Eólico and its geographical locations with the geographical coordinates and installed capacity of new CPAs proposed for inclusion into the PoA as well as with wind power projects submitted for prior consideration of CDM/validation/registration as published on the UNFCCC website. RINA confirmed the eligibility criteria in the UNFCCC web site /18/

(c) The specifications of technology/measure including the level and type of service, performance specifications including compliance with testing/certifications;
- **Greenfield Eligibility Criteria:** The activity must be a single wind turbine or a wind farm consisting of several turbines which feed in electricity into the Argentinean grid. The plant shall be a newly built plant and must not involve retrofitting or modifying of an existing facility for renewable energy generation.
The characteristics of a proposed CPA will be checked according to these criteria.
- **Capacity addition Eligibility Criteria:** The activity must be a single wind turbine or consist of several wind turbines which feed in electricity into the Argentinean grid. The plant shall be a newly built plant and must not involve retrofitting or modifying of an existing facility for renewable energy generation. The added capacity has to be physically distinct from the existing units. The characteristics of a proposed CPA will be checked according to these criteria.
-San Ju–ian - Parque Eólico demonstration eligibility: San Julian - Parque Eólico has a total capacity of 17.1 MW and feeds in electricity into the Argentinean grid. It is a newly built plant and does not involve retrofitting or modification of an existing facility for renewable energy generation. RINA confirmed the project design in the feasibility study. Also a site visit was conducted. /16/

(d) Conditions to check the start date of the CPA through documentary evidence;
- **Greenfield Eligibility Criteria:** The starting date of the CPA is determined by the earliest date at which either the implementation or construction or real action of the CPA begins (i.e. civil works, wind turbines or other relevant contract is signed). The implementing agency has to outline the project history including all activities related to the implementation of the project and to provide evidence on each activity e.g. through feasibility studies, financing agreements with banks, equipment purchase contracts that enable the CME to determine the start date of the CPA according to the definition in Annex7, EB 70 "Glossary: CDM terms"*: "in thecontext of a CDM project activity or CPA, the earliest date at which either the implementation or construction or real action of a CDM project activity or CPA begins".*
- **Capacity addition Eligibility Criteria:** The starting date of the CPA is determined by the earliest date at which either the implementation or construction or real action of the CPA begins (i.e. civil works, wind turbines or other relevant contract is signed). The implementing agency has to outline the project history including all activities related to the implementation of the project and to provide evidence on each activity e.g. through feasibility studies, financing agreements with banks, equipment purchase contracts that enable the CME to determine the start date of the CPA according to the definition in Annex7, EB 70 "Glossary: CDM terms"*: "in thecontext of a CDM project activity or CPA, the earliest date at which either the implementation or construction or real action of a CDM project activity or CPA begins".*

-San Ju–ian - Parque Eólico demonstration eligibility: The CPA implementing agency has not yet committed to major expenditures related to the implementation or construction or real action of the CPA, therefore the project has not started yet. The CME has provided the history/timeline of the San Julian actions in order to implement the project /56/. The starting date of San Julian - Parque Eólico has not been prior to the commencement of validation of the PoA i.e. the date on which the PoA has been first published for global stakeholder consultation. This has been verified by the CME by analyzing the project history of San Julian - Parque Eólico. The assessmet on start start date is provided in the section 3.5.2 of this report.

(e) Conditions that ensure compliance with applicability and other requirements of single or multiple methodologies applied by CPAs;
- **Greenfield Eligibility Criteria:** A Greenfield type CPA has to comply with the applicability criteria and other requirements of the latest version of the methodology ACM0002. No other methodologies will be used. The applicability criteria of the methodology ACM0002 (V.13.0.0 at the time of drafting the PoA) are outlined under PART I.B.3 of PoA-DD (please, refer to Rina assessment under section 3.6.2). The implementing agency must provide documentary evidence on the compliance with the applicability criteria and other requirements of the methodology ACM0002 in the form of e.g. (pre-) feasibility study and other written proof. In case ACM0002 is revised or replaced, subsequent to being placed on hold, the CME will update the eligibility criteria to the requirements of the revised or new methodology with

immediate effect. A new version of the PoA-DD and generic CDM-CPA-DD containing updating eligibility criteria validated by the DOE will submitted to the Board for approval.
- **Capacity addition Eligibility Criteria:** A Capacity Addition type CPA has to comply with the applicability criteria and other requirements of the latest version of the methodology ACM0002. No other methodologies will be used. The applicability criteria of the methodology ACM0002 (V.13.0.0 at the time of drafting the PoA) are outlined under PART I.B.3 of PoA-DD (please, refer to Rina assessment under section 3.6.2). The implementing agency must provide documentary evidence on the compliance with the applicability criteria and other requirements of the methodology ACM0002 in the form of e.g. (pre-) feasibility study and other written proof. In case ACM0002 is revised or replaced, subsequent to being placed on hold, the CME will update the eligibility criteria to the requirements of the revised or new methodology with immediate effect. A new version of the PoA-DD and generic CDM-CPA-DD containing updating eligibility criteria validated by the DOE will submitted to the Board for approval.

-San Ju–ian - Parque Eólico demonstration eligibility: San Julian - Parque Eólico complies with the applicability criteria of the latest version of ACM0002 (Version 13.0.0) as outlined in section D.2 of the CPA-DD. The assessment is described in the section 3.6.3 of this report /16/.

(f) The conditions that ensure that CPAs meet the requirements pertaining to the demonstration of additionality as specified in Section A above;
- **Greenfield Eligibility Criteria:** A Greenfield type CPA has to demonstrate additionality following the procedure outlined in PART II.B.5 of the PoA-DD (please, refer to Rina assessment under section 3.8.4). The CME will assess Additionality and relevant supporting documents provided by the implementing agency to the CME.
- **Capacity addition Eligibility Criteria:** A Capacity Addition type CPA has to demonstrate additionality following the procedure outlined in PART II.B.5 of the PoA-DD (please, refer to Rina assessment under section 3.8.4). The CME will assess Additionality and relevant supporting documents provided by the implementing agency to the CME.
-San Ju–ian - Parque Eólico demonstration eligibility: San Julian - Parque Eólico has demonstrated additionality in accordace with the Tool for the demonstration and assessment of additionality /9/. The assessment is described in the section 3.8.4 of this report.

(g) The PoA-specific requirements stipulated by the CME including any conditions related to undertaking local stakeholder consultations and environmental impact analysis;
- **Greenfield Eligibility Criterias:**
* For each Greenfield type CPA a stakeholder consultation process has been conducted. The consultation process has to be conducted following the procedure outlined in PART I.F.1 including the documentation of the stakeholder consultation process (please, refer to Rina assessment under section 3.14).
***** A Greenfield type CPA has to comply with the national regulations of Argentina. A CPA must be subject to a procedure of an environmental impact assessment before execution. The type of environmental impact assessment will be defined at a provincial level, depending on the size and capacity of the CPA. The implementing agency must provide documentary evidence on the environmental impact assessment to the CME (please, refer to Rina assessment under section 3.13).
- **Capacity addition Eligibility Criteria:**
***** For each Capacity Addition type CPA a stakeholder consultation process has to be conducted The consultation process has to be conducted following the procedure outlined in in PART I.F.1 including the documentation of the stakeholder consultation process (please, refer to Rina assessment under section 3.14).
* A Capacity Addition type CPA has to comply with the national regulations of Argentina. A CPA must be subject to a procedure of an environmental impact assessment before execution. The type of environmental impact assessment will be defined at a provincial level, depending on the size and capacity of the CPA. The implementing agency must provide documentary evidence on the environmental impact assessment to the CME.

-San Ju–ian - Parque Eólico demonstration eligibility: A stakeholder consultation process has been conducted for San Julian - Parque Eólico following the procedure outlined in the PoA-DD. RINA

assessment is described in the section 3.14 of this report. Regarding the environmental aspects, the implementation agency has delivered the EIA to the environmental agency. The assessment is described in the section 3.13 of this report.

(h) Conditions to provide an affirmation that funding from Annex I parties, if any, does not result in a diversion of official development assistance;
- **Greenfield Eligibility Criteria:** Affirmation that funding from Annex I parties, if any, does not result in a diversion of official development assistance. In case funding from Annex 1 party is involved the implementing agency must provide evidence through written affirmation by the funding agency that no official development assistance is diverted and is separate from and not counted towards the financial obligation of the Annex I party
- **Capacity addition Eligibility Criteria:** Affirmation that funding from Annex I parties, if any, does not result in a diversion of official development assistance. In case funding from Annex 1 party is involved the implementing agency must provide evidence through written affirmation by the funding agency that no official development assistance is diverted and is separate from and not counted towards the financial obligation of the Annex I party.
-**San Ju–ian - Parque Eólico demonstration eligibility:** No funding from Annex 1 party is involved as it is confirmed in written by the project implementing entity. RINA verified wpd Argentina S.A letter confirming that there is no public funding in the CPA /17/.

(i) Where applicable, target group (e.g. domestic/commercial/industrial, rural/urban, grid connected/ off-grid) and distribution mechanisms (e.g. direct installation);
- Not applicable

(j) Where applicable, the conditions related to sampling requirements for a PoA in accordance with the approved guidelines/standard from the Board pertaining to sampling and surveys;
-Not applicable

(k) Where applicable, the conditions that ensure that every CPA in aggregate meets the small-scale or microscale threshold criteria and remains within those thresholds throughout the crediting period of the CPA;
- Not applicable

(l) Where applicable, the requirements for the debundling check, in case CPAs belong to small-scale (SSC) or microscale project categories.
-Not applicable

In addition the PoA-DD establishes the eligibility criteria in accordance with the applied methodology:
- **Greenfield Eligibility Criteria:** The installed capacity of a CPA shall not exceed 500MW; the plant load factor for a P50 scenario shall exceed 20%; the specific price of the wind turbines shall not exceed 2,500€ per kW; the tariff shall not exceed 140 USD/MWh and the operating and maintenance costs shall not exceed 2.5 USD-cent per kWh. The characteristics of a proposed CPA will be checked according to these criteria.
These criteria will be updated every two years in order to correctly reflect the technical and market circumstances of a CPA implementation.
- **Capacity addition Eligibility Criteria:** The installed capacity of a Capacity Addition type CPA shall not exceed 500MW; the plant load factor for a P50 scenario shall exceed 20%; the specific price of the wind turbines shall not exceed 2,500€ per kW; the tariff shall not exceed US$140 per MWh and the operating and maintenance costs shall not exceed 2.5€ct per kWh. The characteristics of a proposed CPA will be checked according to these criteria.
These criteria will be updated every two years in order to correctly reflect the technical and market circumstances of a CPA implementation.
-**San Ju–ian - Parque Eólico demonstration eligibility:** The installed capacity of San Julian - Parque Eólico is 17.1 MW ; the plant load factor for the P50 scenario is 44.56%; the specific price for the wind turbines is around 880 € per kW; the tariff considered in the project is 79.08 USD/MWh; the maximal operating and maintenance costs is 1.18 USD-cent per kWh. /16/

3.8.2 Identification of the baseline scenario for each generic CPA

The baseline scenario is described in accordance with the baseline scenario described in the applied methodology /4/ as follow:
Greenfield projects:
ACM0002 V.13.0.0 /4/ defines that if the project activity is the installation of a new grid-connected renewable power plant unit, the baseline scenario is the following:
"Electricity delivered to the grid by the project activity would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the "Tool to calculate the emission factor for an electricity system".

Capacity addition projects:
The AMC0002 V.13.0.0 /4/ defines that if the project activity is a capacity addition to existing grid-connected renewable power plant/unit, the baseline scenario is the following:
"In the absence of the CDM project activity, the existing facility would continue to supply electricity to the grid at historical levels, until the time at which the generation facility would likely be replaced or retrofitted ($DATE_{BaselineRetrofit}$). From that point of time onwards, the baseline scenario is assumed to correspond to the project activity, and no emission reductions are assumed to occur".

3.8.3 Identification of the baseline scenario for the specific CPA

The San Ju–ian - Parque Eólico is a Greenfield project and the baseline is defined in accordance with the PoA-DD /1/ /Methodology /4/ "*Electricity delivered to the grid by the project activity would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the "Tool to calculate the emission factor for an electricity system".*

The emission factor data used in the project activity is based on data provided by the Argentina DNA /6/, using the most recent data available at the time of PDD publication from the years 2008,02009 and 2010. The combined emission factor was determined ex-ante in the PoA-DD and remains fixed through the crediting period.
RINA was able to verify the documented evidence listed above during the validation process and can confirms that the approved baseline methodology methodology ACM0002 "Consolidated baseline methodology for grid-connected electricity generation from renewable sources", version 13.0.0 of 11/05/2012 /4/, has been correctly applied and the confirmed baseline scenario reasonably represents what would occur in the absence of the proposed CDM project activity.

3.8.4 Demostration of additionality of the PoA as a whole

According to the approved baseline and monitoring methodology ACM0002 /4/, the additionality of the CPA has been established applying the Tool for the demonstration and assessment of additionality/9/
Rina confirms that the additionality of a PoA has been validated in accordance with the Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for programme of activities version 2 of 23/11/2012 /8/. Rina confirms in the absence of CDM, none of the implemented CPAs would occur.
The above opinion of RINA to the additionality of the proposed project is further explicitly explained in the following steps.

3.8.5 Investment analysis

Assessment

The Assessemnt is done at CPA level. RINA verified that the Argentinean Law No. 26,190 sets a national program to promote the use of renewable sources for the generation of electricity. The renewable energies program aims at achieving, in ten years, an eight percent contribution of renewable energy to the local electricity consumption. It also promotes new investments in alternative

energy projects. Law No. 26,190 and further regulating Decree No. 562/2009 allow the authority to grant tax benefits and incentive payments to investors and owners of new energy facilities, whose production will contribute to the Wholesale Electric Market Administration Company (from Spanish: *"Mercado Eléctrico Mayorista* – MEM").

In line with Law No. 26,190, RINA has taken knowledge that the Argentina's Federal Secretariat of Energy launched the "GENREN Program" in May 2009. The aim of this program is to incorporate 1,000 mW to the MEM by purchasing electricity from renewable energy generators, previously selected under a public tender. According to the GENREN Program, 50% (500 mW) of those generated energy will be composed by wind energy.

Each project may contribute to the program up to 50 mW (when applicable). The selling of electricity to the MEM under the GENREN Program shall be implemented through a 15-year supply contract to be concluded between *Compañía Administradora del Mercado Mayorista Eléctrico S.A.* (CAMMESA), the buyer -which is a private company in charge of the dispatch and management of the MEM - and *Energía Argentina S.A.* (ENARSA, a state-owned energy company) as the seller on behalf of those electricity plants previously selected under the tenders of the GENREN Program

Choice of approach

Since wind farms generate benefits from the sale of electricity amongst the three options permitted by "Guidelines on the assessment of investment analysis"/13/, Option I - Simple Cost Analysis does not apply. Option II also does not apply since any investment alternatives exist, just the supply of electricity from a grid. In addition, the mentioned guidance states that: "if the alternative to the project activity is the supply of electricity from a grid this is not to be considered an investment and a benchmark approach is considered appropriate".

Thus, PP has selected the investment analysis to demonstrate additionality and a benchmark approach has been chosen for the specific CPA. According to the mentioned EB Guidance, the benchmark approach can be applied to evaluate if the proposed project activity is economically or financially attractive without the CER revenues. The Internal Rate of Return (IRR) is the financial indicator used by PP.

IRR is used in capital budgeting to measure and to compare the profitability of investments. It is also called the discounted cash flow rate of return. In the context of savings and loans the IRR is also called the effective interest rate. The term internal refers to the fact that its calculation does not incorporate environmental factors (e.g., the interest rate or inflation).

Since the project activity involves a simple cash flow, the chosen indicator (IRR) is relevant for the project. Thus, the IRR can be considered to be a suitable indicator as the project will also generate revenue from the sale of electricity and for this the simple cost analysis is not suitable. IRR calculated by PP is equal to 7.2% /5/

Benchmark selection

The project developer has chosen to apply the benchmark analysis method and has identified Project IRR as the most suitable financial indicator. Additionality tool /9/ recommends a financial/economic indicator such as IRR for demonstrating the additionality using benchmark analysis. RINA consider benchmark analysis and Equity IRR to be suitable indicator on account of the: (i) the project generates revenues from the sale of electricity, (ii) the alternative to the project activity is supply of electricity from the grid and (iii) equity IRR is one of the most commonly used financial indicator used to identify the financial attractiveness/unattractiveness of a project.
. A default value for the expected return on equity for energy projects in Argentina, in accordance with the "Guidelines on the Assessment of Investment Analysis" /13/ of 14.5% in real terms is considered. This value, however, had to be adjusted to a pre-tax one since the same already mentioned Guidelines recommends conducting a pre-tax analysis for excluding the impact of individual taxation (EB 62 Report, Annex 5, page 3). With a corporate tax of 35% in Argentina /24/ the adjusted real return on equity pre-tax is equal to 22.31%.

Parameter	Value	Assessement
Average inflation rate	11.25%	Forecasted average inflation rate for the period 2011 to 2016 /25/ 26/
Corporate tax	35%	Value from Central Bank of Argentina /5//25/
Cost of equity after tax (real terms)	14.50%	Default value for Group 1 after tax /5//13/
Cost of equity pre-tax (real terms)	22.31%	Calculated based on Corporate tax and Cost of equity after tax (real terms). /5/
Commercial lending rate	15.04%	Value from Central Bank of Argentina /25/ It was considered the weighted average of year 2010 and January to September 2011 – period of investiment decision.
Real lending rate	3.4%	Calculated based on average inflation rate and Commercial lending rat e/5/
WACC (benchmark)	12.85	Calculated using data above. Calculation correctly described in the spreadsheet /5/

RINA has verified the above benchmark and confirms that it was calculated in accordance with the best financial practice and correctly calculated.

Input parameters

RINA has validated the input parameters used in the investment analysis and the following steps have been followed to assess the investment analysis:

Assessment of the sources used for input parameters: All input parameters used in the financial analysis are taken from third party and publicly sources available as described in the below table and can thus considered information provided by independent and recognized source.

Confirmation of the values in the PDD and investment analysis with the third party and publicly sources described in the below table: RINA compared the input parameters for the financial analysis included in the CPA /1/ and in the IRR spreadsheet /5/ with the parameters stated in the documents mentioned after and was able to confirm that the values applied are consistent with the values stated in these documents.

Assessment of the period between the time of the investment decision and the starting date of the proposed project activity: The starting date of the San Ju–ian - Parque Eólico is 01/01/2013 or the date of the turbine purchase contract whichever comes later. The start of construction is expected for 2013. The inputs parameters are available at the time of investment decision.

Cross check the input parameters used in the investment analysis: The input parameters used in the financial analysis were cross-checked and all the data sources used for cross-checking were checked during the validation process. The following is carried out:

Input value	Assessment
Basic parameters	
Starting date	The starting date of the proposed project activity is 01/01/2013 or the date of the turbine purchase contract whichever comes later. The start of construction is expected for 2013.
Expected operational starting date	The start of operation which is expected to be in 2014 when the central national electricity grid will reach close proximity to the project site /16/.
Operational lifetime	The assumed operation lifetime of the project comprises 18 years, that is, from 2013 to 2031. The PP projected investment period, however, starts on 2013 and finishes on year 2035, according to the assessed Cashflow. The project life time will be most likely less than 20 years because land lease contracts can be only
Investment	

period	concluded for 20 years at a maximum and project development requires usually at least two years before commissioning of the wind farm. /16/	
Electricity generation		
Capacity Net electricity generation	The capacity of the proposed project activity is 17.1 MW and the total net electricity generation for sales is 53,108,976 MWh/year /16/ The informed Plant Load Factor of the project activity is 44.56%. The energy generation is estimated based on the feasibility study that is provided by a third part. It is described in the feasibility study that the energy generation was calculated based on the WindPRO, considering data from 2009-2010 /16/. RINA confirms that the PLF was determined by an official third party /16/ and thus complies with the requirements of Guidelines for the reporting and validation of plant load factors option (b). /15/	
Exchange rate		
Exchange rate ARS/USD	The exchange rate is 0.2551 (ARS/USD) based on the investment decision and cross-checked through the OANDA Exchange Operation website /23/	
Revenues		
Electricity tariff	The electricity tariff is 79.08 USD/MWh according to the reference brought by the Argentinean Institution CAMMESA, publicity available/21/ The tariff was calculated based on the average spot market price 2010 plus the payment according to Host country Law No. 26,190 and regulating Decree No. 562/2009./27/ RINA confirms that the tariff applied in the investment analysis is valid and applicable at the time of the investment decision and considered appropriate.	
Investment costs		
Total investment cost	The total investment cost is kUSD 29,643.5 according to the feasibility study, that includes foundations, crane, transformer, transformers station, crane footprints, road contructions, internal cabling wind park, electrical infraesctruture, share on substation, planning costs,/16/. The construction and the implementation of the project are not yet started and no contracted investment amount is available for cross checking.	
% Debt % Equity	As stated in Guidance 18 of the *"Guidelines on the Assessment of Investment Analysis"* /13/, 50% Debt and 50% equity financing was assumed as a default.	
Terminal value	The project developer presented a third party expert opinion on the demolition costs and the salvage value /48/. Based on this expert opinion PP has adapted the demolition costs after subtracting the salvage value of 13,340 € per turbine after twenty years lifetime.	
Operating costs & expense		
Energy hedge average cost Energy hedge amount	Since there was no evidence for the energy hedge price at the time of investment decision, PPs decided to exclude energy hedge costs from calculation, as a conservative approach.	
Operation and Maintenance	According to the feasibility study /16/ the yearly total fixed costs of the project activity will be of kUSD188.54 including the values of Phases I and II. It is considered Operation and Maintenance costs as a yearly average distribution of the total forecasted costs. For Service & Maintenance: 61%; for Business Administration and Technical management: 15%; For insurance 5%; For land lease: 7%; For Own energy consumption: 1%; and for Other costs: 12%.	
Taxes		
Income tax	The income tax rate in Argentina is of 35% according to World Bank document: /24/ also /25/	
Local turnover on energy sales	The rate is of 2.5%.	These rates are informed by the evidences: *(i)* paying-taxes-Argentina.pdf /24/; and *(ii)* in the website: /25/

On financial transactions	The rate is of 0.6%	
Stamp taxes	The rate is of 1.4%	
Value Added Tax (VAT)		
VAT rate on investment	The rate is of 16%	Idem above.
VAT rate on energy sales	The rate is of 21%	

Based on the information verified, RINA was able to confirm that the input parameters used in the investment analysis are reasonable and adequately represent the economic situation of the project activity at the time of the investment decision.

Calculation and conclusion

The IRR calculations were provide in a spreadsheet ***/5/***. The calculation were verified and found to be correct by RINA as well as the assumptions used in the calculation were deemed to be correct. The Project IRR without CDM revenues is 7.2 % which confirms that the proposed project activity in absence of the CDM benefits and compared to the benchmark IRR 12.853 % is not financially attractive.

Sensitivity analysis

A sensitivity analysis has been carried out for parameters contributing more than 20% revenues and costs, Reasonable variations of the parameters: Total Investment, Operating Costs, Net Energy Yield, Economic Lifetime and Power Price have been considered In terms of what is established by the Guidance 21 of the *"Guidelines on the Assessment of the Investment Analysis"*, version 5 /13/, the project developer presented on the financial model the variation range of ±10% for the precedent listed parameters. The results show that all resulting project IRR are below the benchmark of 12.853%. None of the case during the variatons of ±10% done the IRR passed the benchmark, however, when the Project Developer sets the average price of the wind power contracts of GENREN I, the benchmark was surpassed. Nevertheless, this scenario is highly unlike to happen, because no new GENREN call tenders are planned at the moment in Argentina as long as the existing tenders under GENREN I have been not commissioned. As only 80MW wind power have been commissioned under GENREN I by April 2012 from the 754 MW of wind capacity contracted under GENREN I in July 2010 it is highly unlikely that a new round of GENREN call for tenders will be issued in due time in the host country. Further, since GENREN I provides particular favorable starter conditions for technologies yet not so much in use in Argentina, it is very unlikely that prices in the next rounds of call of tenders will reach the same levels as GENREN I.

The robustness in fact of the financial model in DOE's opinion, is finally demonstrated by PP by means of submitting the main parameters to a breakeven point analysis. The methodology consists on a different proceeding of the precedent methodology and on which, by trials, ones submit the parameters values to variations (without rates limits) until they reach the benchmark value. Normally, the tools used by the CDM Project Developers is the MS Excel function *"Datatable"* or the "*Solver"* one.

This way, the results found by PP in the financial model /4/ is discussed as follow: *(i)* *Total Investment*: must be decreased to 32.0% which represents, of course, that no project activity would be implemented; *(ii)* *Operating Costs*: must be decreased 167%, which represents a too low quality maintenance or even no equipment maintenance; . Such actions, if practiced, may represent operations break downs or loss of factory's guarantees and even loss of rights incident over equipment insurances, during the project lifetime *(iii)* *Net Energy Yield*: must be increased 43.5%, which is quite impossible to happen as the way the Argentinean Government controls the electricity energy local market. There are two ways to increase the net energy yield: if the PP energy production increases or if the price of energy increases with the same level of the present estimated energy production The first possibility goes against the established wind farm Phase II maximum level of capacity. And finally, the second one is not credible to happen, once the price of energy is a very important item to the Argentinean Government to control the host country inflation, so an increase of 43.5% in the net

energy yield in the short or medium run is not viable to happen *(iv)* *Economic Lifetime*: must be increased 85%, which represent quite to double the operating lifetime of the assessed PA, certainly an impossible scenario to happen; and lastly *(v)* *Power Price*: The Excel Datatable function indicates that the Argentinean power price must be increased to quite 38% to reach the benchmark of 12.853% For the same reasons explained to the Net Energy Yield parameter variation, this scenario is also impossible to happen considering the Host country market conditions.

In conclusion, the result of the IRR comparison with the calculated benchmark, and of the sensitivity and breakeven point analysis, have shown to RINA that without the benefits of the CERs sale, the PA is not the most financially attractive option to investors in the Argentinean electricity energy market.

3.8.6 Barrier analysis

Not applicable to the project activity.

3.8.7 Common practice analysis

Sub-step 4a: applyied the Guidelines on common practice", version 02.0 as follows:
Step 1: *calculate applicable capacity or output range as +/-50% of the total design capacity or output of the proposed project activity.*
Design capacity CPA: 17.1 MW
Output capacity +50%: 25.65 MW
Output capacity -50%: 8.55 MW

Step 2: *identify similar projects (both CDM and non-CDM) which fulfill all of the following conditions:*
(a) The projects are located in the applicable geographical area;
-PP has analyzed the power plant located in Argentina

(b) The projects apply the same measure as the proposed project activity;
San Julian - Parque Eólico corresponds to measure (ii) "Switch of technology with or without change of energy source including energy efficiency improvement as well as use of renewable energies (example: energy efficiency improvements, power generation based on renewable energy)" so any plants using renewable energies need to be considered

(c) The projects use the same energy source/fuel and feedstock as the proposed project activity, if a technology switch measure is implemented by the proposed project activity;
San Julian - Parque Eólico uses wind as energy source so only wind power plants need to be considered.

(d) The plants in which the projects are implemented produce goods or services with comparable quality, properties and applications areas (e.g. clinker) as the proposed project plant;
The good produced is power so power plants needs to be considered.

(e) The capacity or output of the projects is within the applicable capacity or output range calculated in Step 1;
The sected range is from 8.55 MW to 25.65 MW.

(f) The projects started commercial operation before the project design document (CDM-PDD) is published for global stakeholder consultation or before the start date of proposed project activity, whichever is earlier for the proposed project activity.
PP has considered the power plants that are operational before 20/01/2012 i.e. the date of publication for global stakeholder consultation.
RINA has confirmed data used by PP publicity available by the Argentina government /49//50/,
The power plants that fullfils the above requirements are:
-COMODORO RIVADAVIA - ANTONIO MORAN (16.6 MW)
-ARAUCO (25.2 MW)

Step 3: *within the projects identified in Step 2, identify those that are neither registered CDM project activities, project activities submitted for registration, nor project activities undergoing validation. Note their number Nall.*
From the plants given in the table above, the wind park Comodoro Rivadavia - Antonio Moran is a CDM project activity so should be not considered further. Only Arauco needs to be considered further.
Nall= 1

Step 4: *within similar projects identified in Step 3, identify those that apply technologies that are different to the technology applied in the proposed project activity. Note their number Ndiff.*
The Wind Park Arauco is the only project identified in Step 3. The Arauco wind farm is mainly (90%) /49/ owned by the Government of the Province of La Rioja. Thus the investment climate is considered to be different as San Julian - Parque Eólico due to the fact that the public ownership results in a different risk perception and different requirements on the economic feasibility. Consequently the wind park Arauco is considered to be different.
Ndiff = 1.
Step 5: *calculate factor F=1-Ndiff/Nall representing the share of similar projects (penetration rate of the measure/technology) using a measure/technology similar to the measure/technology used in the proposed project activity that deliver the same output or capacity as the proposed project activity.*
The factor is: F = 1-1/1 = 0
Nall - Ndiff = 1-1 = 0
According to the "Guidelines on common practice" the proposed project activity is a "common practice" within the National Energy Sector of the Argentina if the factor F is greater than 0.2 and *Nall-Ndiff* is greater than 3.
Since San Julian - Parque Eólico has a factor lower than 0.2 and *Nall-Ndiff* is lower than 3, than the project activity is not common practice in Argentina. The project activity is thus not a common practice.

Sub-step 4b: Discuss any similar options that are occurring
There is no power plant similar to the project activity, therefore, similar and operational projects are not widely observed and commonly carried out, no further analysis is required

3.8.8 Conclusion

Conclusion on the additionality assessment: final conclusion on the relevance of presented topics and the project's additionality (e.g. its ability to reduce anthropogenic emissions of GHGs by sources below those that would have occurred in the absence of the registered CDM project activity).
RINA can confirm that all data, rationales, assumptions, justifications and documentation provided by the project participants to support demonstration of additionality are credible and reliable.
By assessing the evidences presented and cross-checking the information contained in, RINA considers the reasonings for the proposed project additionality demonstration is credible and reasonable i.e. the proposed project has the ability to reduce anthropogenic emissions of greenhouse gases by sources below those that would have occurred in the absence of the registered CDM project activity.

3.9 Management system of the PoA

Based on the information available in the PoA-DD /01/, and confirmed by the PP/CME during the on-site visit, wpd Argentina S.A will take over responsibility as a managing and coordinating entity. The CME has the competencies to check the features of potential CPAs and ensure that each CPA meets the requirements and eligibility criteria before inclusion in the registered PoA. the PoA and each CPA will be implemented and managed by the CME. The management described in the PoA-DD isclearly described and the responsabilities are:

Department	Management Responsibilities and Arrangements
President of wpd Argentina S.A.	• Accomplishment of the Programme Objectives • Ensuring proper management of the PoA • Decision of the inclusion of a CPA based on the suggestion

	of the PoA Monitoring Manager • Staff selection
CDM Administrative Manager	• Follow-up with registration, inclusion and issuance of CER's • Program operation in accordance with CDM guidelines and Management Board strategy • Awareness creation and promotion of the PoA • Ensuring proper CDM project operation and management following the required guidelines and management board strategy • Review of program compliance with guidelines by updating eligibility criteria of the CPA following a change of methodology • Proper and timely validation of the PoA • Single point of contact for PoA related issues inside the organization and vis-à-vis relevant actors (e.g. UNFCCC, CPAs, DOEs).
PoA Monitoring Manager	• Identification of CPAs • Review of CPA compliance in accordance with the PoA-DD of AWPP • Listing of eligible CPA's • Investment analysis for the CPA's • Ensure verification of CPA's • Validation and verification support to CPA implementer throughout the crediting period • Preparation of monitoring report for Emission Reductions • Monitoring and record keeping of monitoring parameters • Review and improvement suggestions of monitoring system and plan • Monitoring support to CPA implementers • Suggestion on the inclusion of eligible CPAs under the PoA Together ensuring that: • Equipments and measurements in the field are in compliance with stated measurement methods, recording frequency and storing • Each CPA produces an annual coherent and standard monitoring report
PoA Document Control Manager	• Collecting information and documentation of the CPA • Collection and scrutiny of all documents related to the eligibility criteria of CPA inclusion • Focal point for CPA Implementers • Collection of necessary statutory approvals from CPA implementers • General document control • Technical review of the CPA-DD documentation
Quality Control and Technical Review	• Process and continuous improvement proposal reporting to stakeholders and management • Quality control of supporting documents and site information

RINA was able to verify all the documented evidence listed above during the validation process. Rina confirms that the management system described in the PoA design document (CDM-PoA-DD) in

accordance with the Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for programme of activities

3.10 Estimation of GHG emission reductions

3.10.1 Estimation of emission reduction of a generic CPA

The emission reduction ERy by the proposed project actiity during the crediting period is the difference between baseline emissions (BEy), project emission (PEy) and emissions due to leakage (Ly) as follows.

Baseline emissions

According to methodology ACM0002 /4/ the baseline emissions are to be calculated as follows:

$BEy = EG_{CPA,y} * EF_{grid,CM,y}$

Where:

BE_y	=	Baseline emissions in year *y* (tCO_2/yr)
$EG_{CPA,y}$	=	Net electricity fed into the grid by the CPA in year *y* (MWh/yr)
$EF_{grid,CM,y}$	=	Combined margin CO_2 emission factor for grid connected power generation in year y calculated using the latest version of the *Tool to calculate the emission factor for an electricity system* (tCO_2/MWh)

Calculation of $EG_{CPA,y}$

(a) Greenfield wind farm plants

$EG_{CPA,y} = EG_{facility,y}$

Where:

$EG_{CPA,y}$	=	Quantity of net electricity fed that is produced and fed into the grid as a result of the implementation of the CPA in year *y* (MWh/yr)
$EG_{facility,y}$	=	Quantity of net electricity generation supplied by the project plant/unit to the grid in year *y* (MWh/yr)

(b) Capacity addition to an existing renewable energy power plant

$EG_{CPA,y} = EG_{CPA_Add,y}$

Where:

$EG_{CPA,y}$ = Quantity of net electricity fed that is produced and fed into the grid as a result of the implementation of the CPA in year *y* (MWh/yr)

$EG_{CPA_Add,y}$ = Quantity of net electricity generation supplied to the grid in year *y* by the project plant/unit that has been added under the project activity (MWh/yr)

Calculation of $EF_{grid, CM,}$

The combined emission factor was calculated by the Argentina DNA and it is publicity available /6/. The calculation approach corresponds to the “Tool to calculate the emission factor for an electricity system, Version 2.2.1” /10/ considering data from the years 2008, 2009 and 2010. The emission factor is defined ex-ante and will remain fixed during the crediting period.

Project emissions

According to methodology ACM0002 /4/, for wind power generation activities project emissions is zero. Therefore, PEy=0

Leakage

In accordance with the methodology ACM0002 /4/, no leakage emissions are considered. The main emissions potentially giving rise to leakage in the context of electric sector projects are emissions arising due to activities such as power plant construction and upstream emissions from fossil fuel use (e.g. extraction, processing, transport). These emissions sources are neglected.

Therefore: $LE_{grid,y}$ = 0 tCO2e

Emission Reductions

The Emission Reductions is thus equal to the Baseline Emissions.

ERy=BEy.

3.10.2 Estimation of emission reduction of a specific CPA

The emission reduction ERy by the proposed project actiity during the crediting period is the difference between baseline emissions (BEy), project emission (PEy) and emissions due to leakage (Ly) as follows.

Baseline emissions

In accordance with the applied methodology, as the San Ju–ian - Parque Eólico is a Greenfield project, the baseline emissions are calculated as follow:

$BE_y = EG_{facility,y} * EF_{grid,CM,y}$

BEy= 53,108.976 * 0.511

BEy= 27,139 (considering the total operation of the CPA)

Where:

BE_y= Baseline emissions in year *y* (tCO_2)

$EG_{facility,y}$= Quantity of net electricity generation supplied by the project plant/unit to the grid in year *y* (MWh/yr)

$EF_{grid,CM,y}$ = Combined margin CO_2 emission factor for grid connected power generation in year *y* calculated using the latest version of the "Tool to calculate the emission factor for an electricity system" (tCO_2/MWh)

The energy delivered to the grid was estimated by a third part company in feasibility study ($EG_{facility,y}$)= 53,108.976 MWh/yr /16/

For the $EF_{grid,CM,y}$ PP has used the "Tool to calculate the emission factor for an electricity system" (tCO_2/MWh)., using the most recent data available by the Argentina DNA at time of PoA-DD and CPA publication /6/, considering the National Grid (SIN), data vintage ex-ante for the years 2010, 2009, 2008.

For the Operating Margin ($EF_{grid,OMsimple}$) PP has used the value available by the Argentina DNA for the years 2010, 2009, 2008 (data vintage ex-ante, considering the most recent data available at the time of the PoA and CPA publication) /6/. The resulting $EF_{grid,OMsimple}$ is: 0.541 tCO_2/MWh

For the Build Margin ($EF_{grid,BM,y}$) PP has chosen the data vintage *ex-ante*. RINA has confirmed the value applied by PP for the year 2010, in accordance with data provided by the Argentina DNA (publicly available). RINA confirmed in the DNA web site that PP used the most recent information available at the time of PoA and CPA submission to the DOE for validation= 0.422 tCO_2/MWh. /6/

The combined emission factor ($EF_{grid,CM,y}$)

$EF_{grid,CM,y} = EF_{grid,OM,y} * w_{OM} + EF_{grid,BM,y} * w_{BM}$

Where:

$EF_{grid,BM,y}$ = Build margin CO_2 emission factor in year *y* (tCO_2/MWh)

$EF_{grid,OM,y}$ = Operating margin CO_2 emission factor in year *y* (tCO_2/MWh)

w_{OM} = Weighting of operating margin emissions factor (%)

w_{BM} = Weighting of build margin emissions factor (%)

The default values used for W_{OM} (=0.75%) and W_{BM} (=0.25%) in the CPA are in accordance with the tool, resulting $EF_{grid,CM,y}$= 0.511 tCO_2/MWh.

xx

Project emissions

Project emissions are not applicable to the project activity in accordance with the methodology /4/ as the project is not a hydropower plant with reservoir.

Leakage

Leakage does not need to be considered, as defined by the applied baseline methodology. The main emissions potentially giving rise to leakage in the context of electric sector projects are emissions rising due to activities such as power plant construction and upstream emissions from fossil fuel use (e.g. extraction, processing, transport). These emissions sources are neglected.

Emission Reductions

$ER_y = BE_y - PE_y$

As $PE_y = 0$, $ER_y = BE_y$, therefore,

$ER_y = EG_{facility,y} * EF_{grid,CM,y}$.

ERy= 53,108.976 * 0.511

ERy= 27,139 (considering the total operation of the CPA)

3.11 Monitoring Plan

The approved baseline and monitoring methodology ACM0002 /4/ has been applied.
The monitoring plan(s) of each generic CPA and of the CPA(s) included in the PoA are in accordance with the monitoring methodology(ies); the monitoring plan will give opportunity for real measurement of achieved emission reductions.
RINA has checked all the parameters presented in the monitoring plan against the requirements of the methodology; no deviations relevant to the project activity have been found in the plan.
RINA confirms that the monitoring arrangements described in the monitoring plan(s) are feasible within the project design, and the means of implementation of the monitoring plan are sufficient to ensure the emission reductions achieved by/resulting from the proposed CDM project activity can be reported ex post and verified.

Parameters determined ex-ante

The ex-ante parameters that are mentioned in the methodology are included in the generic CPA and are provided in compliance with the methodology:

	Data/parameter	Unit	Value applied	Assessment
1	$EF_{grid,CM,y}$: Combined Margin CO_2 grid emission factor	tCO_2/MWh	0.511	RINA confirmed that the emission factor value is publicity available by the Argentinean Designated National Authority (DNA). A share of 75% OM and 25% BM was applied as per *Tool to calculate the emission factor for an electricity system* (Version 02.2.1). The figure is calculated *ex-ante* and remains valid during the crediting period.

Parameters monitored ex-post

The ex-post parameters that are mentioned in the methodology are included in the generic CPA and are provided in compliance with the methodology, and they will be monitored during the crediting period:

	Parameter	Description/Assessment
1	$EG_{facility,y}$- Quantity of net electricity generation supplied by the project plant/unit to the grid in year *y* (MWh/yr)	Parameter used for calculation of baseline emissions for Greenfield wind farm plants. Parameter will be measured by two bidirectional meters (main and backup); the bidirectional meters allow for measuring simultaneously the quantity of electricity supplied by the project plant to the grid and the quantity of electricity delivered to the project plant from the grid. Parameter will be continuous measured and at least monthly recorded. Meters shall be calibrated periodically according to local standards. The calibration shall take place at least every 2 years. Generation data of the CPA shall be cross checked to ensure data reliability. The electricity sale receipt that will be provided by the grid operator to the wpd Argentina S.A. (or its successor as the project developer and operator) will help for double check of the amount of energy supplied to the grid. This parameter will be monitored in the CPA San Ju–ian - Parque Eólico, since it is a Greenfield project.
2	$EG_{CPA_Add,y}$ Quantity of net electricity generation supplied to the grid in year *y* by the project plant/unit that has been added under the project activity (MWh/yr)	Parameter used for calculation of baseline emissions for a Capacity Addition to an existing wind farm plant. Parameter will be measured by two bidirectional meters (main and backup); the bidirectional meters allow for measuring simultaneously the quantity of electricity supplied by the project plant to the grid and the quantity of electricity delivered to the project plant from the grid. Parameter will be continuous measured and at least monthly recorded. Meters shall be calibrated periodically according to local standards. The calibration shall take place at least every 2 years. Generation data of the CPA shall be cross checked to ensure data reliability. The electricity sale receipt that will be provided by the grid operator to the wpd Argentina S.A. (or its successor as the project developer and operator) will help for double check of the amount of energy supplied to the grid.

3.12 Management system and quality assurance

The PoA-DD clear describes the management system of the PoA, that is under responsibility of wpd Argentina S.A. In accordance with the paragraph 19 of Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for Programme of Activities, version 2 /8/ the management system will cover the following, as per the PoA-DD /1/
a) A clear definition of roles and responsibilities of personnel involved in the process of inclusion of CPAs, including a review of their competencies
b) Records of arrangements for training and capacity development of personnel
c) Procedures for technical review of inclusion of CPAs

d) A procedure to avoid double counting (e.g. to avoid the case of including a new CPA that has already been registered either as a CDM project activity or as a CPA or another PoA
e) Records and documentation control process for each CPA under the PoA
f) Measures for continuous improvements of the PoA management system
g) Any other relevant elements
Moreover, in order to assure the monitoring of the CPAs it is described in detail, in the PoA-DD the following aspects of the monitoring of the electricity delivered to the grid:

- Monitoring organization, roles and responsibilities;
- Measuring, recording and archiving of data including specification of measurement equipment
- Quality assurance / quality control
- Training
- Calculation of emission reductions and preparation of monitoring report

3.13 Environmental Impacts

The PoA-DD indicates clearly that the environmental analysis is done at the CPA level as the environmental impact of wind power farms depend on their particular location and size. The environmental aspects of the CPA are analyzed by the environmental agency when it issues the licenses.
wpd Argentina S.A has provided the communication with Santa Cruz environmental agency to confirm the delivery of the EIA /44/. Letter is dated 02/11/2012 stamped by the environmental agency on 04/12/2012. /41/

FAR 1: As the CPA does not have the applicable licenses to install the project (instalation license) in response to the EIA presented, it has to be confirmed in the first verification if the San Julian - Parque Eólico has the applicable environmental licenses in compliance with the requirements of the environmental agency. The status of the EIA is also a request of the German DNA when it issued the LoA, to be confirmed in the first verification..

3.14 Local stakeholders consultation

The local stakeholder consultation is done at the CPA level as the impacts of wind power farms depend on their particular location.

The PoA-DD describes how the local stakeholder has to be performed, including the groups that should be considered to participate in the local stakeholder consultation.

RINA considers that the local stakeholder consultation delineated in the PoA-DD is reasonable.

RINA confirmed that the local stakeholder consultation for the CPA was conducted in accordance with the guidelines provided in the PoA-DD. During the site visit, RINA interviewed some local stakeholders that have participated in the meeting (Sr. José F. Gonzalez- UNPA; Sr. Omar Javier Vaca- Municipality of San Julian; Sr. Rafael B. Oliva- UNPA; Sr. Nelson Daniel Gleadell- major of San Julian; Mr. Daniel C. Gleadell- Municipality of San Julian; Ms. Natalia Collm –UNPA and ONG Oikitos). Moreover, PP has provided a copy of the attendance list /19/ video of the meeting, conducted on 16/09/2011 in Puerto San Julian. RINA can conclude that the local stakeholder consultation was conducted in a transparent way.

4 COMMENTS BY PARTIES, STAKEHOLDERS AND NGOS

The PoA-DD version 01 of 08/01/2012 /1/ and the CPA-DD version 01 of 08/01/2012 /2/ were made publicly available on the CDM UNFCCC website and Parties, stakeholders and NGOs through the CDM website (http://cdm.unfccc.int/ProgrammeOfActivities/Validation/DB/TN97S5ZTIE5DBHAZUDBFKXMOMJDX4P/view.html) invited to provide comments during a 30 days period from 20/01/2012 to 18/025/2012
No comment was received.

VALIDATION REPORT

VALIDATION OPINION

RINA Services Spa (RINA) has performed validation of the programme of activity PoA titled "Argentinean Wind Power Programme (AWPP)" in Argentina, and the CPA-DD(s) "San Ju–ian - Parque Eólico" to be included in this PoA, with regard to the relevant requirements for CDM activities.

The review of the project design document and the subsequent follow-up interviews have provided RINA with sufficient evidence to determine the fulfillment of the stated criteria.

The host Party is Argentina and the Annex I Party is Germany. Both Parties fulfil the participation criteria and have approved the project and authorized the project participant name of PPs. The DNA from Argentina confirmed that the project assists in achieving sustainable development.

The project correctly applies the approved baseline and monitoring methodology ACM0002 "Consolidated baseline methodology for grid-connected electricity generation from renewable sources" version 13.0.0 of 11/05/2012.

By generating renewable energy from wind power plants the PoA results in reduction of CO_2 emissions that are real, measurable and give long-term benefits to the mitigation of climate change. It is demonstrated that the project is not a likely baseline scenario. Emission reductions attributable to the project are hence additional to any that would occur in the absence of the project activity.

The monitoring plan provides for the monitoring of the project's emission reductions. The monitoring arrangements described in the monitoring plan are feasible within the project design and it is RINA's opinion that the project participants are able to implement the monitoring plan.

In conclusion, it is RINA's opinion that the PoA "Argentinean Wind Power Programme (AWPP)" in Argentina, as described in the PoA-DD, version 3.0 of 11/12/2012, meets all relevant UNFCCC requirements for the CDM and all relevant host Party criteria and correctly applies the baseline and monitoring methodology ACM0002 "Consolidated baseline methodology for grid-connected electricity generation from renewable sources" version 13.0.0 of 11/05/2012.

RINA provides the validation opinion that the all of coverage for the project components or issues are deemed being validated through the validation process.

RINA thus requests registration of the PoA under the CDM.

APPENDIX A

VALIDATION PROTOCOL

TABLE 1 MANDATORY REQUIREMENTS

Requirement	Reference	Conclusion	Cross Reference / Comment
Parties Involved			
1. The project shall assist Parties included in Annex I in achieving compliance with part of their emission reductions commitment under Art. 3.	Kyoto Protocol Art.12.2	**OK**	Section A.3
2. a) LSC - The project shall assist non Annex I Parties in achieving sustainable development and shall have obtained approval of voluntary.	Kyoto Protocol Art. 12.2, 12.5a, CDM Modalities and Procedures §40a	~~CAR 2~~ **OK**	Section A.3
3. The project shall assist non Annex I Parties in contributing to the ultimate objective of the UNFCCC.	Kyoto Protocol Art.12.2.	~~CAR 2~~ **OK**	Section A.3
4. The project shall have the written approval of voluntary participation from the designated national authorities of each party involved[1].	Kyoto Protocol Art.12.5a, Marrakesh Accords, CDM Modalities §40a, § 28 Simplified Modalities and Procedures for Small Scale CDM Project Activities §23a	~~CAR 2~~ **OK**	Section A.3
5. The emission reductions shall be real, measurable and give long-term benefits related to the mitigation of climate change.	Kyoto Protocol Art. 12.5b	**OK**	Section E.7.2
6. Reductions in GHG emissions shall be additional to any that would occur in absence of the project activity, i.e.. A PoA is additional if it can be demonstrated that in the absence of the CDM (i) the proposed voluntary measure would not be implemented, or (ii) the mandatory policy/regulation would be systematically not enforced and	Kyoto Protocol Art. 12.5c, Marrakesh Accords, CDM Modalities §43 and § 44 Simplified Modalities	~~CAR 4~~ ~~CAR 5~~ ~~CAR 7~~ **OK**	Section E.5

[1] The private or public entity that coordinates the PoA is referred to as a coordinating/managing entity

Requirement	Reference	Conclusion	Cross Reference / Comment
that non-compliance with those requirements is widespread in the country/region, or (iii) that the PoA will lead to a greater level of enforcement of the existing mandatory policy /regulation.	and Procedures for Small Scale CDM Project Activities §23a		
7. In case public funding from Parties included in Annex I is used for the project activity, these Parties shall provide an affirmation that such funding does not result in a diversion of official development assistance (ODA) and is separate from and is not counted towards the financial obligations of these Parties.	Decision 17/CP.7, CDM Modalities and Procedures Appendix B, § 2	OK	Section A.4.5
8. Parties participating in the CDM-PoA shall designate a national authority for the CDM.	Marrakech Accords, CDM Modalities §29	**OK**	Germany ratified the Kyoto Protocol on 31/05/2002 and established as DNA German Emissions Trading Authority as per the UNFCCC website. Argentina ratified the Kyoto Protocol on 28 September 2001 and established as DNA the Oficina Argentina del Mecanismo para un Desarrollo Limpio - OAMDL (Secretaría de Ambiente y Desarrollo Sustentable) as per the UNFCCC website
9. The host country and the participating Annex I Party shall be a Party to the Kyoto Protocol.	Marrakech Accords, CDM Modalities §30	**OK**	See above
10. The participating Annex I Party's assigned amount shall have been calculated and recorded.	CDM Modalities and Procedures §31b	**OK**	See above.
11. The participating Annex I Party shall have in place a national system for estimating GHG emissions and a national registry in accordance with Kyoto Protocol Article 5 and 7.	CDM Modalities and Procedures §31b	**OK**	See above.
12. Comments by local stakeholders shall be invited, a summary of these provided and how due account was taken	CDM Modalities and Procedures §37b	**OK**	Section D

Requirement	Reference	Conclusion	Cross Reference / Comment
of any comments received.	Simplified Modalities and Procedures for Small Scale CDM Project Activities §22b		
13. a) LSC - Documentation on the analysis of the environmental impacts of the project activity, including transboundary impacts, shall be submitted, and, if those impacts are considered significant by the project participants or the Host Party, an environmental impact assessment in accordance with procedures as required by the Host Party shall be carried out.	Marrakech Accords, CDM Modalities §37c	OK	Section C
14. Baseline and monitoring methodology shall be previously approved by the CDM Methodology Panel.	Marrakech Accords, CDM Modalities §37e	~~CAR 4~~ OK	Section E.6
15. Provisions for monitoring, verification and reporting shall be in accordance with the modalities described in the Marrakech Accords and relevant decisions of the COP/MOP.	Marrakech Accords, CDM Modalities §37f	OK	Section E.7
16. Parties, stakeholders and UNFCCC accredited NGOs shall have been invited to comment on the validation requirements for minimum 30 days, and the project design document and comments have been made publicly available.	Marrakech Accords, CDM Modalities, §40	OK	Section D
17. A baseline shall be established on a project-specific basis, in a transparent manner and taking into account relevant national and/or sectoral policies and circumstances.	Marrakech Accords, CDM Modalities, §45 b, c, d, e	~~CAR 7~~ OK	Section E.4
18. The baseline methodology shall exclude to earn CERs for decreases in activity levels outside the project activity or due to force majeure.	Marrakech Accords, CDM Modalities, §47	OK	Not applicable to this PoA
19. The PoA shall be in conformance with the CDM-POA format.	Marrakech Accords, CDM Modalities, Appendix B, EB	~~CL 1~~	Section A

Requirement	Reference	Conclusion	Cross Reference / Comment
	Decisions		

TABLE 2 REQUIREMENTS CHECKLIST

Checklist Question	Ref.	MoV[2]	Comments	Draft Concl.	Final Concl.
A. *General Description of Programme of Activities* The Programme of Activities is assessed					
A.1Title of the Programme of activities (PoA)					
Is the Title of the Programme of Activities, version number and date of document (DD) included?	/1/	DR/CC	The title of the PoA is "Argentinean Wind Power Programme **(AWPP)"**, version 01 of 08/01/2012 Considering the validation timeline and the deadline to submission projects under the VVM Track (30/09/2012), all Regulatory documents (references, versions) used shall be clearly identified/mentioned using the VVS standard.	~~CL 1~~	OK
A.2Description of the PoA					
A.2.1.Is the general operating and implementing framework of PoA defined?	/1/	DR/CC	Yes, the Argentinean Wind Power Programme (AWPP) aims at developing a series of grid-connected wind power plants in Argentina.		OK
A.2.2.Is the Policy/measure or stated goal of the described?	/1/	DR/CC	Yes, it is described in the PoA version 1 that the AWPP seeks to initiate at least 500 MW of wind power plant capacity by 2020. Once the programme is well established and more wind power developers are joining in, the capacity triggered by the AWPP might go well beyond the initial goal of 500 MW		OK

[2] MoV- Means of Verification

A.2.3.Is the confirmation that the proposed PoA is a voluntary action by the coordinating/managing entity included?	/1/	DR/CC	Yes, it is confirmed in the PoA-DD version 1 that the proposed PoA is a joint voluntary action by the two private entities wpd Argentina S.A. and Fichtner Carbon Management GmbH		OK
A.2.4. Is it explained how the programme of activities reduces greenhouse gas emissions, i.e. technology, measures?	/1/	DR/CC	In the description of the PoA, section A.2, it is not described how the programme of activities reduces greenhouse gas emissions	~~CAR 1~~	OK
A. 3Coordinating/managing entity and participants of POA					
A.3.1.Is the coordinating/managing entity of the programme been identified?	/1/	DR/CC	Yes, the coordinating/managing entity (CME) is Fichtner Carbon Management GmbH.		OK
A.3.2.Have all involved Parties provided a valid and complete letter of approval and have all private/public programme participants been authorized by an involved Party?	/1/	DR/CC	PP did not provide the LoA for the programme of activities (PoA)	~~CAR 2~~	OK
A.3.3. Are the Project participants being registered in relation to the PoA involved in one of the CPAs related to the PoA?. (they may or may not be involved). If not involved who are the PPs not involved?	/1/ /2/	DR/CC	The projects participants described in the PoA-DD are two private entities: wpd Argentina S.A. (from Argentina) and Fichtner Carbon Management GmbH (from Germany). The entity responsible for the CPA is wpd Argentina S.A., that is a project participant.		OK
A.4.Technical description of the programme of activities					
A.4.1.Is the location of the Programme of activities described?	/1/	DR/CC	The PoA is located in Argentina.		OK

A.4.1.1.Are the Parties involved in the Programme of Activities indicated?	/1/	DR/CC	The Parties involved are Argentina (host) and Germany. Party is not to be considered as project participant		OK
A.4.1.2Physical/ Geographical boundary:					
Are the programme's spatial boundaries (geographical) clearly defined?	/1/	DR/CC	The boundary of the PoA is Argentina country.		OK
Are the programme's system boundaries (components and facilities used to mitigate GHGs) clearly defined?	/1/ /4/	DR/CC	Yes. The proposed project boundary (spatial extent) encompasses the physical, geographical sites of the project power plants and all power plants connected physically to the electricity system that the CPA power plant is connected to (National electricity grid Argentina). As per the methodology, project emissions are zero. The baseline emissions is the CO_2 from electricity generation in fossil fuel fired power plants that are displaced due to the project activity.		OK
Can each CPA under the PoA be clearly identified individually including spatial boundaries (geographical) clearly defined?	/1/ /4/	DR/CC	Yes, the boundary of each CPA is defined as per the methodology. For details, please, see section above.		OK
Does the programme establish eligibility criteria for inclusion of a project as a CPA under the PoA?	/1/ /4/ /8/	DR/CC	The following assessment is conducted to determine if the eligibility criteria is in accordance with the provisions of the "Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for Programme of activities"/8/. The eligibility criteria shall		OK

			cover as a minimum the following: (a) **The geographical boundary of the CPA including any time-induced boundary consistent with the geographical boundary set in the PoA**; Yes, it is described in the item 1 of section A.4.2.2.of the PoA-DD that a CPA must be located within the geographical boundaries of Argentina. The CME will check this based on the geographical coordinates of the project. **(b) Conditions that avoid double counting of emission reductions like unique identifications of product and end-user locations (e.g. programme logo);** Yes, it is described in the item 1 of section A.4.2.2.of the PoA-DD that an activity that has been proposed as stand-alone CDM project activity in Argentina or which is part of another CDM project activity is not eligible for inclusion into the PoA. In order to guarantee compliance with this criterion the geographical coordinates and the installed capacity of each CPA saved in a data base will be crosschecked with the geographical coordinates and installed capacity of new CPAs proposed for inclusion into the PoA as well as with wind power projects submitted for prior consideration of		

			CDM/validation/registration as published on the UNFCCC website. **(c) The specifications of technology/measure including the level and type of service, performance specifications including compliance with testing/certifications;** In the item 3 of the PoA-DD it is described that the activity must be a single wind turbine or a wind farm consisting of several turbines which feed in electricity into the Argentinean grid. The plant shall be a newly built plant and must not involve retrofitting or modifying of an existing facility for renewable energy generation. A CPA may though involve the addition of generating capacity to an existing wind farm. The added capacity has to be physically distinct from the existing units. The characteristics of a proposed CPA will be checked according to these criteria. **d) Conditions to check the start date of the CPA through documentary evidence;** It is described in the item 4 of section A.4.2.2.of the PoA-DD that the starting date of the CPA must be not prior to the commencement of validation of the PoA, i.e. the date on which the PoA has been first published for global stakeholder		

			consultation. The project implementing agency has to outline the project history including all activities related to the implementation of the project and to provide documentary evidence on each activity e.g. through feasibility studies, financing agreements with banks, equipment purchase contracts that enable the CME to determine the start date of the CPA according to the definition of Glossary of CDM terms /11/: "*[…] the start date shall be considered to be the date on which the project participant has committed to expenditures related to the implementation or related to the construction of the project activity.*" PP is requested to define the starting date in accordance with the valid Glossary of terms (version 5 for the VVM standard or version 6 to the VVS standard) as well as to provide the documentary evidence of each activity. **(e) Conditions that ensure compliance with applicability and other requirements of single or multiple methodologies applied by CPAs;** The project does not use multiple methodologies, it applies only the	~~CL 2~~ ~~CAR 3~~	

			ACM0002. It is described in the item 5 of the section A.4.2.2 of the PoA-DD that a CPA has to comply with the applicability criteria of the latest version of ACM0002. This criteria is outlined in section E.2. The implementing agency must provide documentary evidence on the compliance with the applicability criteria in the form of e.g. (pre-) feasibility study and other written proof. **(f) The conditions that ensure that CPAs meet the requirements pertaining to the demonstration of additionality as specified in Section A;** OK, it is described in the item 7 of the section A.4.2.2 of the PoA-DD that a CPA has to demonstrate additionality following the procedure outlined in section E5.1 and E.5.2 of the PoA-DD. **(g) The PoA-specific requirements stipulated by the CME including any conditions related to undertaking local stakeholder consultations and environmental impact analysis;** Regarding the stakeholder consultation: It is described I the item 8 of the section A.4.2.2	~~CL 3~~	

			of the PoA-DD that for each CPA a stakeholder consultation process has to be conducted following the procedure outlined in section D of the PoA-DD including documentation of the stakeholder consultation process. Regarding the environmental impact analysis: The item 9 of the PoA-DD, section A.4.2.2 describes that a CPA has to comply with the national regulations of Argentina. However the national regulations are not clear and it is not clear if it includes the environmental impact analysis. It is not detailed that each CPA has to inform the conditions for the EIA due to the different sizes and capacities of each wind farm, each range of installed capacity for local compliance of EIA has to be demanded in the CPA. **(h) Conditions to provide an affirmation that funding from Annex I parties, if any, does not result in a diversion of official development assistance;** Ok, it is described in item 10 of the section A.4.2.2 of the PoA-DD that in case funding from Annex 1 party is involved the implementing agency must provide evidence through written affirmation by the funding agency that no official development assistance is diverted and is separate from and not counted towards the financial		

			obligation of the Annex I party. **(i) Where applicable, target group (e.g. domestic/commercial/industrial, rural/urban, grid connected/off-grid) and distribution mechanisms (e.g. direct installation);** Not applicable to the PoA. **(j) Where applicable, the conditions related to sampling requirements for a PoA in accordance with the approved guidelines/standard from the Board pertaining to sampling and surveys;** Not applicable to the PoA, no sampling is required. **(k) Where applicable, the conditions that ensure that every CPA in aggregate meets the small-scale or microscale threshold criteria and remains within those thresholds throughout the crediting period of the CPA;** Not applicable, the PoA is not small-scale or micro-scale. **(l) Where applicable, the requirements for the debundling check, in case CPAs belong to small-scale (SSC) or microscale project categories.** Not applicable, the PoA is not small-scale or micro-scale Moreover, in accordance with the "Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for	~~CAR 4~~	

			Programme of activities"/8/, paragraph 21, the updating eligibility criteria is described in the item 6 of the of the section A.4.2.2 of the PoA-DD: in case ACM0002 is revised the CME will adapt the eligibility criteria for inclusion of CPAs accordingly. The methodology ACM0002 was updated to version 13.0.0, valid from 11/05 onwards during the validation process. The provisions for the use of the methodology in a project activity under a PoA shall be addressed.		

A.4.2.Is description of a typical CDM programme activity (CPA) included?[3]	/1/ /4/	DR/CC	The purpose of the PoA is to install wind power farms that will typically consist of one or several wind turbines. The wind farms will feed electricity into the Argentinean power grid.		OK
Are the CPAs under the programme qualify as small scale CDM project activities as defined in paragraph 6 (c) of decision 17/CP.7 on the modalities and procedures for the CDM?	/1/ /4/	DR/CC	Not applicable, the PoA is large scale.		OK
A.4.2.1.Is technology or measures to be employed by the CPA described?[4]	/1/ /4/	DR/CC	Yes, the purpose of the PoA is to install Wind Power plants and feed electricity into the Argentinean power grid.		OK
Does the programme design engineering reflect current good practices?	/1/ /4/	DR/CC	Yes, the installation of wind farms reflects current good practices.		OK
Does the programme use state of the art technology or would the technology result in a significantly better performance than any commonly used technologies in the host country?	/1/ /4/	DR/CC	The PoA DD does not describe if it use state of the art technology or would the technology result in a significantly better performance than any commonly used technologies in the host country.	~~CL 4~~	OK

[3] SSC - It is assessed whether the project qualifies as small-scale CDM Programme Activity
[4] Validation of project technology focuses on the programme engineering, choice of technology and Competence maintenance needs. The validator should ensure that environmentally safe and sound technology and know-how is used

Does the programme make provisions for meeting training and maintenance needs?	/1/ /4/	DR/CC	Yes, the monitoring plan describes that the implementation agency of each CPA is responsible for training of CDM monitoring team responsible for data collection and archiving at the CPAs		OK
A.4.2.2.Is Eligibility criteria for inclusion of a CPA in the PoA included?	/1/ /4/	DR/CC	Please, refer to the section "Does the programme establish eligibility criteria for inclusion of a project as a CPA under the PoA" above.	~~CAR 3~~ ~~CAR 4~~ ~~CL 2~~ ~~CL 3~~	OK
Is the description of criteria for enrolling the CPA in the PoA clearly described ?	/1/ /4/	DR/CC	Yes. The applicability criteria of the methodology and why it is applicable to each CPA is described in the PoA-DD. The methodology ACM0002 was updated to version 13.0.0, valid from 11/05 onwards during the validation process. The provisions for the use of the methodology in a project activity under a PoA shall be addressed.	~~CAR 4~~	OK

A.4.3.Is description and demonstration of additionality included?	/1/ /9/	DR/CC	The additionality will be demonstrated at CPA level in accordance with the "Tool for the demonstration and assessment of additionality" The PoA-DD version 1 does not apply the latest version of the "Tool for the demonstration and assessment of additionality".	~~CAR 5~~	OK
A.4.3.(i) Is it demonstrated that the proposed PoA is a voluntary coordinated action?	/1/ /4/	CC/I	Yes, it is demonstrated that the proposed PoA is a voluntary coordinated action, as there is no law in Argentina which requires the construction or the operation of wind power plants. Thus, wind power deployment takes place on a purely voluntary basis.		OK
A.4.3.(ii) Is it demonstrated that the PoA is implementing a voluntary coordinated action, it would not be implemented in the absence of the PoA?	/1/ /4/ /9/	CC/DR	The additionality of the PoA will be addressed in the CPA level, following the guidelines of the "Tool for the demonstration and assessment of additionality".		OK
A.4.3.(iii) If the PoA is implementing a mandatory policy/regulation, is it demonstrated that this would/is not enforced?	/1/ /4/	CC/DR/I	Not applicable. The PoA is not implementing a mandatory policy/regulation.		OK
A.4.3.(iv) If mandatory a policy/regulation is enforced, is it demonstrated that the PoA will lead to a greater level of enforcement of the existing mandatory policy/regulation?	/1/ /4/	CC/DR/I	Not applicable. The PoA is not implementing a mandatory policy/regulation.		OK
On the whole is it demonstrated that the PoA is additional?	/1/ /4/	CC/DR	Not applicable. The additionality will be determined at CPA level.		OK

A.4.4.Is Operational, management and monitoring plan for the programme of activities (PoA) included?	/1/ /4/	CC/DR	Yes, the operational, management and monitoring plan for the programme of activities (PoA) is included		OK
A.4.4.1.Is Description of the operational and management arrangements established by the coordinating/managing entity for the implementation of the PoA, included?	/1/ /4/	CC/DR	Yes. The description is included in the PoA-DD and will under responsibility of Fichtner Carbon Management GmbH.		OK

A.4.4.1.(i) Is a record keeping system for each CPA under the programme clearly defined?	/1/ /4/	CC/DR	Yes. It is described that the managing entity will establish an electronic data base in which the following information for each CPA will be recorded: -Name of the CPA -Implementing entity of the CPA -Installed capacity of the CPA -Detailed location of the CPA -Compliance with eligibility criteria as outlined in A.4.2.2 and evidence of compliance submitted to the CME. The implementing agency ensures: -Compliance of the CPA with the eligibility criteria for inclusion into the PoA -Training of CDM monitoring team responsible for data collection and archiving at the CPAs -Prepare monitoring reports for emission reduction verification. -Assisting in validation and verification of the CPAs The CPA operator is responsible for implementation and operation of the CPA as well as data collection and archiving for monitoring of the emission reductions according to the provisions outlined in section E 7.1 and E 7.2 of the PoA-DD and all the data will be stored and kept for 2 years after the end of the last crediting period. .		OK

A.4.4.1.(ii) Is a system/procedure to avoid inclusion of of CPAs that have already have been registered either as CDM project activity or as a CPA of another PoA identified and defined ?	/1/ /4/	DR/CC	Yes. The geographical coordinates and the installed capacity of each CPA will be included in a database and will be cross checked with the geographical coordinates. Installed capacity of new CPAs proposed for inclusion into the PoA will be counterchecked with this database as well as with wind power projects submitted for prior consideration of CDM/validation/registration as published on the UNFCCC website.		OK

A.4.4.1.(iii) Are the provisions to ensure that those operating the CPA are aware and have agreed that their activity is being subscribed to the PoA defined?	/1/ /4/	DR/CC	Yes. The provisions described in the PoA-DD are considered appropriate to ensure those operating the CPA are aware and have agreed that their activity is being subscribed to the PoA defined. It is described in the PoA-DD that each implementing entity shall enter into a contractual agreement with the managing entity in order to avoid double counting and to ensure that the implementing entity of each activity under the CPA is aware of and has agreed that its activity is being subscribed to the PoA. The contractual agreement shall confirm the following: - The activity has not been and will not be registered as CDM project activity, neither as stand-alone nor within another PoA. - The implementing entity is aware and agrees that the CPA will be subscribed to the present PoA.		OK
A.4.4.1.(iv) – SSC - Is a procedure in place and defined to confirm that SSC-CPA included in the PoA is not a de-bundled component of another CDM programme activity (CPA) or CDM project activity?	/1/ /4/	DR/CC	Not applicable, the PoA is large scale.		OK
A.4.4.2.Is the Monitoring plan included?[5]	/1/ /4/	DR/CC	Yes. The monitoring plan included in the PoA-DD is detailed in the section E.7.1 and E.7.2.		OK

[5] It is assessed whether the monitoring plan provides for reliable and complete emission data over time.

A.4.4.2.(i) Does the monitoring plan include a description of a proposed statiscally sound sampling method and procedure to be used by designated operational entities for verification of GHG emissionreductions by CPAs under the programme?	/1/ /4/	DR/CC	Sampling is not applicable to the PoA. All data will be monitored during the crediting period.		OK
A.4.4.2.(ii) If the programme does not use verification method that applies a statistical method for sampling, has a system been defined to avoid double counting of CERs, and is the system transparent?	/1/ /4/	DR/CC	Sampling is not applicable to the PoA. All data will be monitored during the crediting period. The monitoring report will be prepared for each CPA, as described in the POA-DD, section E.7.2. item: *Calculation of emission reductions and preparation of monitoring report*		OK
A.4.5.Public funding of the programme of activities (PoA):					
Is there any public funding for the PoA? If so are the details of the funding described transparently?	/1/ /4/	DR/CC	It is described in the PoA-DD that in case funding from Annex 1 party is involved in a CPA development the implementing agency must provide evidence through written affirmation by the funding agency that no official development assistance is diverted and is separate from and not counted towards the financial obligation of the Annex I country.		OK
B. *Duration of the programme of activities (PoA)*					
B.1.Starting date of the programme of activities (PoA)					
Is the starting date of the PoA clearly mentioned in the dd/mm/yyyy format with description of the event on that date[6]?	/1/ /4/	DR/CC	The POA starts with the beginning of the public comment period of validation. The starting date of the PoA is not presented in the format dd/mm/yyyy.	~~CL 5~~	OK
B.2.Length of the programme of activities (PoA)					

[6] Starting date and length of the PoA is not exceeding 28 years (60 years for A/R).

Is the length of the programme of activities clearlydefined and mentioned?	/1/	DR	Yes. The length of the PoA is correctly defined as 28 years		OK
C. Environmental Analysis[7]					
C.1 Level of Environmental Analysis					
Is it indicated of the level at which the Environmental Analysis is done? (POA or CPA level)	/1/	DR	The Environmental Analysis is done at CPA level.		OK
Is there any justification provided for the selection of the level of environmental analysis carried out?	/1/	DR	The environmental analysis is undertaken at the CPA level as the environmental impact of wind power farms depend on their particular location and size.		OK
C.2Documentation of the EIA					
Is the documentation on the environmental impacts, including transboundary impacts included in the PoA DD?	/1/	DR	The PoA-DD describes the typical environmental and social effects of Wind Farms. The environmental aspects are analyzed by the environmental agency when it issues the environmental licenses.		OK
C.3Host party regulation					
Is it mentioned clearly if it is required to conduct environmental analysis for a typical CPA included in the PoA, as per the host country laws/regulations?	/1/	DR/I	Yes, the national laws are described in the PoA-DD. Moreover RINA interviewed the Environmental agency of Santa Cruz to confirm that the requirements are correctly described.		OK
D. Stakeholders' comments					
D.1.Level at which local stakeholder comments are invited					

[7] Documentation on the analysis of the environmental impacts will be assessed, and if deemed significant, an EIA should be provided to the validator

Is it indicated of the level at which the local stakeholder consultation is done?	/1/	DR	The local stakeholder consultation is done at the CPA level.		OK
Is there any justification provided for the selection of the level at which the local stakeholder consultation is done?	/1/	DR	PP did not include the justification for the selection of the level at which the local stakeholder consultation is done	~~CAR 6~~	OK
D.2.Brief description how comments by local stakeholders have been invited and compiled					
Are relevant stakeholders consulted, appropriate method/media used and reasonable time given for the stakeholders to offer their comments?	/1/	DR	The PoA-DD describes how the local stakeholder has to be performed, including the groups that should be considered to participate in the local stakeholder consultation. RINA considers that the local stakeholder consultation delineated in the PoA-DD is reasonable.		OK
If local stakeholder comments are invited at the PoA level, is the information on how comments by local stakeholders were invited included in PD?	/1/	DR	Not applicable. The local stakeholder consultation is done at the CPA level		OK
D.3Summary of comments received					
If local stakeholder comments are invited at the PoA level, is the summary of the comments received are included in PD?	/1/	DR	Not applicable. The local stakeholder consultation is done at the CPA level		OK
If local stakeholder comments are invited at the PoA level, is the information on how due account was taken of any comments received are included in PD?	/1/	DR	Not applicable. The local stakeholder consultation is done at the CPA level		OK
D.4Report on how due account was taken of any comments received					

Has due account been taken of any stakeholders' comments received?	/1/	DR	Not applicable. The local stakeholder consultation is done at the CPA level		OK
E. Application of a baseline and monitoring methodology[8]					

[8] Assessment of the baseline, whether programme applies an appropriate baseline methodology

E.1.Does the programme apply an approved methodology and the correct version that can be used for PoA?	/1/ /4/	DR/CC	The PoA version 1 applies the methodology ACM0002 "Consolidated baseline methodology for grid-connected electricity generation from renewable sources", version 12.2.0 of 25/11/2011 /4/. The methodology ACM0002 was updated to version 13.0.0, valid from 11/05 onwards during the validation process. The provisions for the use of the methodology in a project activity under a PoA shall be addressed.	~~CAR 4~~	OK
Is the title and version number of the approved baseline and monitoring methodology clearly mentioned in the DD?	/1/ /4/	DR/CC	Please, see section above	CAR 4	OK
E.2. Are the justification of choice of methodology included and all the applicability criteria in the baseline methodology fulfilled?	/1/ /4/	DR/CC	The applicability's criteria of the ACM0002 are included in the PoA-DD. It is described that the CPA will consist: (a) in the installation of either a new grid-connected power generation project activity (wind) where no renewable power plant was operated prior do the implementation of the CPA (b) or involve capacity addition to an existing wind farm However, all the assessment of the PoA-DD is based on the Greenfield projects (a), for example, baseline scenario and the option to calculate the parameter $EG_{PJ,yin}$ accordance with the requirements of ACM0002. PP is requested to determine this criterion.	~~CAR 7~~	OK

E.3. Are the sources and gases included in the CPA boundary described?	/1/ /4/	DR/CC	Yes. In the baseline the main emission source is the CO_2e emissions from electricity generation in fossil fuel power plants that are displaced due to the project activity. There are no project emissions.		OK
E.4.Is the description on how the baseline scenario is identified and identified scenario is clearly described?	/1/ /4/	DR/CC	The baseline scenario is defined in the applied methodology: If the project activity is the installation of a new grid-connected renewable power plant/unit, the baseline scenario is the following: • Electricity delivered to the grid by the project activity would have otherwise been generated by the operation of grid-connected power plants and by the addition of new generation sources, as reflected in the combined margin (CM) calculations described in the Tool to calculate the emission factor for an electricity system. Please, see CAR 7 above.	~~CAR 7~~	OK
E.5.Assessment and demonstration of additionality of CPA					
E 5.1Has the PPs demonstrated, using the procedure provided in the baseline and monitoring methodology applied, additionality of a typical CPA.	/1/ /4/	DR/CC	The PoA-DD version 1 does not apply the latest version of the "Tool for the demonstration and assessment of additionality". .	~~CAR 5~~	OK
E.5.2.Are the key criteria for assessing additionality of a CPA when proposed to be included in the registered PoA provided in the PoA DD?	/1/ /4/	DR/CC	Refer to E 5.1 above.	~~CAR 5~~	OK

Is it demonstrated how these criteria would be applied to assess the additionality of a typical CPA at the time of inclusion.	/1/ /4/	DR/CC	Refer please to E 5.1 above.	~~CAR 5~~	OK
E.6Estimation of emission reductions of a CPA					
E.6.1Is the explanation of methodological choices, provided in the approved baseline and monitoring methodology applied, selected for a typical CPA included?	/1/ /4/	DR/CC	The methodology ACM0002 was updated to version 13.0.0, valid from 11/05 onwards during the validation process. The provisions for the use of the methodology in a project activity under a PoA shall be addressed.	~~CAR 4~~	OK
E.6.2 Are the equations, including fixed parametric values, to be used for calculation of emission reductions of a CPA included?	/1/ /4/ /6/ /10/	DR/CC	The description of emission reductions for each CPA is in accordance with the methodology ACM0002: ERy= BEy-PEy Where: ERy = Emission reductions in year y (t CO2e/yr) BEy = Baseline emissions in year y (t CO2e/yr) PEy = Project emissions in year y (t CO2e/yr) (PEy=0) The baseline emissions is calculated with the amount of electricity generated by each power plants/units connected to the national grid multiplied by the emission factor of the grid: $BE_{power,y}= EG_{CPA,y} *EF_{Grid,CM,y}$		OK

			The emission factor of the grid was defined ex-ante and is based on data provided by the Argentina DNA /6/. The combined emission factor is calculated in accordance with the Tool to calculate the emission factor for an electricity system /10/, considering the simple OM method: $EF_{Grid,CM,y} = EF_{Grid,OM,y} * w_{OM} + EF_{Grid,BM,y} * w_{BM}$ Where: $EF_{grid,OM,y}$ = Operating margin emission factor in year "y" (tCO_2/MWh) $EF_{grid,BM,y}$ = Build margin emission factor in year "y" (tCO_2/MWh) w_{OM} = Weighting of operating margin emissions factor (%) w_{BM} = Weighting of build margin emissions factor (%) For solar and wind power generation activities, the values for w_{OM} and w_{BM} are 0.75 and 0.25. In the section E.6.2 of the PoA-DD, PP has listed some parameters that are not used directly in the CERs calculation such as $F,_{I,j,y}$; EG_y (parameters used by the DNA to calculate the emission factor). Moreover, section E.6.2 should present the equations, including fixed parameters values, to be used for calculation of emission reduction. The tables should be presented in the	~~CAR 8~~	

			section E.6.3 The ex-ante values for the Emission factor, were cross checked against data public available by the Argentina DNA, that considers the year data of 2008, 2009 y 2010 /6/: OM,y: 0.541 tCO_2/MWh BM,y: 0.422 tCO_2/MWh CM,y: 0.511 tCO_2/MWh		

E.6.3 Are the Data and parameters that are to be reported in DD form provided in the tabular format?	/1/ /4/	DR/CC	Please, see section above.	~~CAR 8~~	OK
E.7Application of the monitoring methodology and description of the monitoring plan					
E.7.1Are the Data and parameters to be monitored by each CPA provided in the tabular format?	/1/ /4/	DR/CC	Yes, the monitoring parameter (electricity delivered to the grid) is provided in a Tabular form.		OK
E.7.2Is the detailed monitoring plan for the CPA provided and is it appropriate and complete?	/1/ /4/	DR/CC	The monitoring plan, does not present the monitoring and recording frequency in accordance with the requirements of the applied methodology: Continuous measurement and at least monthly recording	~~CAR 9~~	OK
E.8Application of the baseline study and monitoring methodology					
Are the date of completion of the application of the baseline study and monitoring methodology and the name of the responsible person(s)/entity(ies) provided transparently?	/1/ /4/	DR/CC	Yes. Date of completing the baseline study and monitoring methodology is 14/12/2011, prepared by Fichtner GmbH & Co. KG		OK
Annex 1Are the details of contact information on Coordinating/managing entity and participants in the programme of activities provided in the tabular format?	/1/ /4/	DR/CC	Yes, data is provided in a proper table and matches the information presented in the Section A.3		OK
Annex 2Are the details of public funding if any is provided ?	/1/ /4/	DR/CC	This section was left blank on purpose. Rina verified that the information on public funding is provided innside the PoA-DD		OK
Annex 3Are the details of baseline information provided and is complete?	/1/ /4/	DR/CC	This section was left blank on purpose. Rina verified that the information about the basilene is provided inside the PoA-DD and a spreadsheet with the emission factor calculation can be dowloaded from the DNA web site and it was also provided by PP.		OK

Annex 4Are the details of monitoring information provided and is complete and appropriate?	/1/ /4/	DR/CC	This section was left blank on purpose. Rina verified that the information about the monitoring is provided innside the PoA-DD		OK

Table 2 B - Requirements Checklist for CPA

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
A. General description of CDM programme activity (CPA)					
A.1Title of the CPA					
Is the title of the CPA, version number and date of document (DD) provided transparently and in the prescribed date format?	/1/ /2/	**DR/CC**	The name of the CPA submitted along with the PoA, is not consistent through the document (San Juan-Parque Eólico 508 X San Julian-Parque Eólico).	~~CAR 10~~	OK
A.2.Description of the CPA					
Is the purpose of CPA included?	/1/ /2/	**DR/CC**	Yes, the purpose of the CPA is to install a wind farm with a total capacity of 17.1 MW in Santa Cruz Region- Argentina. The Generated electricity will be fed into the Argentinean grid.		**OK**
Is it explained how the CPA reduces greenhouse gas emissions, i.e. technology, measures?	/1/ /2/ /16/	DR/CC	The San Ju–ian - Parque Eólico will install a total of 19 wind turbines with an individual capacity of 900 kW each, that were confirmed in the feasibility study /16/. The project will be installed in two phases: 1st phase: 4 wind turbines, 2nd phase: 15 wind turbines. It is important to highlight that one wind turbine will be installed as a testing pilot and it is not included in the CPA. The description of the phases included in the CPA was confirmed in the feasibility study /16/ The section A.4 presents inconsistent data regarding the number of turbines that is included in the project activity. Moreover it is	~~CAR 11~~	OK

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			not described how the CPA reduces greenhouse gas emissions.		
A.3.Entity/individual responsible for the CPA:					
Is the information on the entity/individual responsible of the CPA (CPA implementer) included?	/1/ /2/	DR/CC	Yes, the implementing entity is wpd Argentina S.A.		**OK**
Is the name of the implementers / participants of CPA submitted, is included in the registered PoA[9]?.	/1/ /2/	DR/CC	Yes, the implementing entity is included as a project participant in the PoA-DD		**OK**
A.4. Technical Description of the CPA[10]					
A.4.1.Do the CPAs under the programme qualify as small scale CDM project activities?	/1/ /2/	DR/CC	Not applicable, the CPA is large scale.		**OK**
A.4.1.1.Is the details of the Host Party of the CPA included?	/1/ /2/	DR/CC	Yes, the host country is Argentina		**OK**
A.4.1.2.Is the location of the project activity clearly defined, including details of the physical location and information allowing the unique identification of this CPA project activity(ies)?	/1/ /2/ /16/	DR/CC/I	The CPA is located in Puerto San Julián in Santa Cruz Region, Argentina. The site of the project was confirmed during the site visit. The geographical coordinates presented in the CPA does not match the evidence provided: the feasibility study document /16/.	~~**CAR 12**~~	OK
Are the details of Name/contact details of the entity/individual responsible for the CPA included?	/1/ /2/	DR/CC	Yes, the implementing entity is wpd Argentina S.A. The details of the contact are presented in the Annex 1 of the CPA.		**OK**
A.4.2.Duration of the CPA:					
A.4.2.1.Is the starting date of the CPA clearly defined and justification provided for considering that as the start date?	/1/ /2/	DR/CC	Verified during the site visit that the predicted starting date refers to the turbine purchase		OK

[9] CPA implementers can be project participants of the PoA, under which the CPA is submitted, provided the name is included in the registered PoA.
[10] It is assessed whether the project qualifies as small- scale CDM Programme Activity

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			contract, expected to be in June 2012. The starting date of the CPA presented in the section A.4.2.1 is exchanged with the Starting date of the crediting period, presented in the section A.4.3.1, and vice-versa. Moreover, dates were not presented in the format dd/mm/yyyy.	~~CAR 13~~	
A.4.2.2.Is the Operational lifetime of the CPA defined?[11]	/1/ /2/	DR/CC	PP did not present the evidences of the operational lifetime of the CPA, based on equipments operational lifetime.	~~CL 6~~	OK
A.4.3.Choice of the crediting period [12]					
A.4.3.1.Is the starting date of the crediting period mentioned in dd/mm/yyyy format?	/1/ /2/	DR/CC	The starting date of the CPA presented in the section A.4.2.1 is exchanged with the Starting date of the crediting period, presented in the section A.4.3.1, and vice-versa. Moreover, dates were not presented in the format dd/mm/yyyy.	~~CAR 13~~	OK
A.4.3.2.Is the length of the crediting period,(first crediting period if the choice is renewable crediting period) mentioned?	/1/ /2/	DR/CC	PP has chosen a fixed crediting period of ten years non renewable.		**OK**
A.4.4.Estimated amount of emission reductions					
A.4.4.1Is the estimated amount of emission reduction during the crediting period provided in tabular format?	/1/ /2/	DR/CC	Yes, the emissions reductions estimative is provided in a tabular format, and considers		**OK**

[11] Documentary and authentic evidence
[12] Renewable or Fixed Crediting period

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			the two phases of implementation		
A.4.5. Public funding in the CPA					
Are the details of the public funding of the CPA provided and is it consistent with information in Annex 2	/2//17/	DR/CC	There is no public funding in the CPA. wpd Argentina S.A. has provided an official letter to confirming that there is no public funding in the CPA /17/.		**OK**
A.4.6.Confirmation that CPA is neither registered as an individual CDM project activity nor is part of another Registered PoA					
Is it demonstrated that the proposed CPA is neither registered as an individual CDM project activity nor is part of another Registered PoA:	/1/ /2/ /18/	DR/CC	Confirmed during the site visit that the project is neither registered as an individual CDM project activity nor is part of another Registered PoA. The information was also cross checked in the UNFCCC web site /18/.		**OK**
A.4.6.SSC - Information to confirm that the proposed small-scale CPA is not a de-bundled component					
SSC - It is demonstrated that the proposed CPA is not a de-bundled component of a large scale activity?	/1/ /2/	DR/CC	Not applicable, the CPA is large scale.		**OK**
B. Eligibility CPA and Estimation of emissions reductions					
B.1. Title and reference of the Registered PoA to which CPA is added					
Is the title and reference of the Registered PoA to which CPA is added is indicated transparently?	/1/ /2/	DR/CC	The name of the PoA (section B.1 of the CDM-CPA-DD) is not in accordance with the name presented in the CDM-PoA-DD.	~~CAR 14~~	OK
B.2.Justification of why the CPA is eligible to be included in the Registered PoA					
Is the Justification of why the small-scale CPA is eligible to be included in the Registered PoA provided tranparently?	/1/ /2/	DR/CC	Not applicable, CPA is large scale		**OK**

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
B.3.Assessment and demonstration of additionality of the CPA, as per eligibility criteria listed in the Registered PoA					
Is an Assessment and demonstration of additionality of the small-scale CPA , as per eligibility criteria listed in the Registered PoA included transparently?	/1/ /2/	DR/CC	Not applicable, the project is large scale.		OK
Does the PDD follow all the steps required in the methodology to determine the additionality? (Is an approved additionality tool required / used?)	/1/ /2/ /9/ /13/	DR/CC	Please, refer to the financial analysis described bellow.		OK
Is the discussion on the additionality clear and have all assumptions been conservative, supported by transparent and documented evidence for all steps?	/1/ /2/ /9/ /13/	DR/CC	Please, refer to the financial analysis described bellow. The common practice presented in the CPA-DD, version 1, did not follow all the steps and requirements of the Guidelines on common practice.	~~CAR 15~~	OK
Is it demonstrated / justified that the project activity itself is not a likely baseline scenario?	/1/ /2/	DR/CC	The baseline scenario is in accordance with the one defined in the methodology		**OK**
If the starting date of the project activity is before 2 August 2008, is it demonstrated that CDM was seriously considerd as per the guidance for CDM consideration? *If starting date is on or after 2 August 2008, has the pp informed the UNFCCC/ DNA about the CDM project activity and is it acknowledged from them?*	/1/ /2/	DR/CC	The starting is after the CPA publication.		**OK**
Is the above evidence based on official, legal and / or other corporate document that was available at, or prior to, the start of the project activity?	/1/ /2/	DR/CC	Not applicable.		**OK**
If investment analysis has been used to demonstrate the additionality of the proposed CDM project activity, Is it	/1/ /2/ /9/	DR/CC	**Method used:**		OK

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
demonstrated that the proposed CDM project activity would not be: (a) The most economically or financially attractive alternative; or (b) Economically or financially feasible, without the revenue from the sale of certified emission reductions (CERs); were provided? (c) Is the bench mark seklected appropriate and justification provided? (d) Is the investment analysis compliant to the guidance on Assessment of Investment analysis? B. 3.7 If the demonstration of the barriers as per the guidance by the EB to demonstrate barriers and supported by proper evidences?	/16/ /30//5/ /16/		The project developer has chosen to apply the benchmark analysis method and has identified Equity IRR as the most suitable financial indicator. EB Additionality Tool recommends a financial/economic indicator such as IRR, for demonstrating the additionality using benchmark analysis. The PP has chosen Equity IRR as the financial indicator. RINA considers benchmark analysis and project IRR to be a suitable indicator on account of the following: 1. The project will generate revenue from the sale of electricity to hence simple cost analysis is not applicable. 2. The alternative to the project activity is supply of electricity from the grid hence investment comparison analysis is not appropriate. 3. Equity IRR is one of the most commonly used financial indicators used to identify the financial attractiveness or unattractiveness of a project. IRR calculated by PP in the CPA version 1 is equal to 4.1%, however it needs to be confirmed. Please, refer to **FINANCIAL INDICATOR** bellow.		

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			Financial Indicator: Based on the Option III/b of the *"Tool for the Demonstration and Assessment of Additionality" (version 05.2.1)* /9//, the "Equity IRR" was the financial indicator used, and for the benchmark approach, PP chose the Weighted Average Cost of Capital (WACC). According to the feasibility study/16/and also demonstrated in the correspondent spreadsheet /30/the project activity's WACC has the value of 12.855%. The cost of debt was assumed by PP as the commercial interest rate in the country (EB 62 Report, Annex 5, page 4). The Central Bank of Argentina provides time series for different types of loans receivable on a monthly basis. In this case, the mortgage loans with a term of five to ten years with rates renegotiable fixed interest is used as a conservative value and presented lower values compared to secured loans. For the purposes of take a value independent of the debtor, PP calculated a weighted average of the values for legal persons and natural persons. To level the short-term fluctuations, PP considered the weighted average of year 2010 and securities available for 2011 (January to September). As a result, the rate of the		

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			commercial loans is 15.04% /5//16/. The average inflation rate provided by the IMF for the period from 2011 to 2016 is 11.257% yearly Thus, PP states correctly in the CPA_DD that the real rate of commercial loans [(1.1504/1.11257)-1] is equal to 3.4%. /5//16/ RINA assessed the IMF website and confirmed the 11,257% averaged forecasted inflation rate (forecast period = 2011 to 2016). /30/ However, in the cash flow spreadsheet /5/PP did not consider into its calculations the inflation rate of the project activity's operational lifetime, although for the WACC benchmark value /16//30/, PP effectively did it. The inflation rate of the host country was not considered in the cash flow spreadsheet /5/, and it is not coherent with the WACC calculation, which considers inflation in its calculation. **Depreciation:** Project Participants did not include the depreciation in the financial calculations spreadsheet however there is no impact on Income Tax calculations as income tax	~~CAR 16~~	

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			calculations were also not included in the spreadsheet as Argentina's Federal Law No. 26,190 and further regulating Decree No. 562/2009 allow many tax benefits, for instance, exemption of income tax. PP provided the Argentina's Federal Law No. 26,190 and further regulating Decree No. 562/2009. **Salvage Value:** PP did not provide the evidences/support for the asset life and the basis for the terminal value of the asset. **Input parameters cross check**: The cross check of the main parameters is described below: **<u>Basic parameters</u>**: * <u>Operational lifetime</u>: 20 years. Assumed operating lifetime: 18 years as land use in Argentina has legal barriers according to the feasibility study, Section 1.6.4.1 page 21, dated Feb/2012. /16//. Crediting Period Starting Date: 06/2012, when the signatures of the turbine purchase contracts is going to be held. * <u>Exchange rate ARS/USD</u>: 0.2551	~~CAR 17~~	

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			ARS/USD. Confirmed exchange rate, based on accredited source, consulted on 11/06/2012. **<u>Electricity Generation</u>**: <u>Total energy generation for sales</u>: 53,108,976 MWh/year. /16/ The energy generation is estimated based on the feasibility study that is provided by a third part /16/Therefore, it is in accordance with the Guidelines for the reporting and validation of Plant load factor option (b). The plant load factor determined by a third party contracted by the project participants was based on data calculated by third party <u>*Installed Capacity</u>: 17.1 MW. The installed capacity described in the CPA_DD version 1 /2/ matches the installed capacity considering the project turbines number of the wind farm San Julian Parque Eolico 508 presented in the feasibility study /16/and with the calculations showed by third party **<u>Revenues-electricity generation</u>**: <u>1) Manual Input Price + Law 26,190 payment used by PP as a nominal value input in the</u>		

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			spreadsheet /5/ column G11 and onwards: 79.08 USD/MWh. 2) Tariff used in the feasibility study /16/ page 91 as a GEREN Programme contracted averaged selling price: 126.9 USD/MWh. PP is requested to clarify why the energy input price (126.9 USD/MWh) used in the feasibility study /16/page 91 as a GEREN Programme contracted average selling price is different from the one used in the spreadsheet /5/ column G11 and onwards (79.08 USD/MWh). According to CAMMESA Annual Report 2010, mentioned by the third party in the Feasibility Study /16/ pages 89 to 91, and cross checked by RINA the average selling prices of energy in the Argentinean spot market by 2010 was of 242ARS/MWh. In US currency, this means an amount of 61.73 USD/MWh (= ARS242 X 0.2551). PP used in the cash flow spreadsheet /5/tab "Calculations", the exchange rate of 1.4 for USD/EUR instead of the rate of 0,2551 for ARS/USD. This represented a little difference between the nominal price of energy used by third party in the sensibility analysis /16/and PP spreadsheet cash flow model /5/(61.73 ≠	~~CAR 18~~	

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			61.86). One of the key parameter established by page 26 of PoA is that the exchange rate to be considered by PP is ARS/USD. PP is requested to use the same exchange rate (ARS/USD) in both calculations to avoid differences between its own spreadsheet /5/ in relation to the nominal price of energy used by third party in the sensibility analysis of the feasibility study page /16/. As shown above, RINA identified a difference of USD 0.13 (thirteen American dollars cents) for each MWh available for selling before the subsidy established by host country Law 26,190. Additionally, the application of Law 26,190 of 15ARS/MWh multiplied by a Quarterly Adjustment Coefficient (CAT) of 4.5 (from November, 2005 the CAT's value has not been updated. In July 2011 the value of CAT would be between 4 and 4.5), added a governmental subsidy of USD 17.22 per MWh to the price of the energy to be purchased by GEREN Programme. That's why PP considered in the spreadsheet the selling price of electric energy for its revenues and so to calculate its Equity IRR the amount of 79.08 USD/MWh (61.86 + 17.22).	~~CAR 19~~	

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			<u>Investment – (Total Capital Costs)</u>; <u>Total investment</u>: kUSD 36,088.9 (Phase I: kUSD 7,787.2 + Phase II: kUSD 28,301.7) /16/ PP has explained in the feasibility analysis /16/that land use in Argentina is one of the main barrier wind projects face. The cost of land use is calculated by installed MW and is worth 4.0 (four) kUSD/MW/year. Thus, PP has explained why the lease paid on land as PP included this barrier as one of its investment cost. /16/ PP is requested to provide additional evidences from the third party to confirm that the value for the 33 kV WEC-transformer and also additional evidences about WEC foundations real costs for Phases I and II of project activity. PP is requested to clarify all other items considered as "assumptions" for Phases I and II in the in the spreadsheet named "*Cash Flow Model……*". • <u>% Debt and % Equity</u>: As stated in Guidance 18 of the "Guidelines on the Assessment of Investment Analysis", version 5 /13/ 50% debt and 50% equity financing	~~CL 7~~	

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			was assumed as a default. Cost of Equity: 14.5% /13/ Pre-tax adjusted return on equity: 22.31% /13/ Nominal commercial lending rate: 15.04% /13/ Cost of debt: 3.4%. /13/ IRR: 4.1%. //13/ (To be confirmed). The inflation rate of the host country was not considered in the cash flow spreadsheet /5/, and it is not coherent with the WACC calculation, which considers inflation in its calculation. WACC: 12.86%. /13/ Annual Fixed Costs: 188.53 kUSD. /13/ **Operating costs and expenses**: 38,849 USD. **Taxes**: Income tax rate: 35%. Local turn over on energy sales: 2.5%. On financial transactions: 0.6%. Stamp taxes: 1.4%. **Other Costs (in kUSD)**: Tax and legal advice: 5.6.	~~CAR 16~~	

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			Operation of substation: 8.6. Insurance of substation: 10.8. Safety at work assessment: 23.9 Maintenance of foundation hill: 13.0 (by year). Caretaker of wind turbine: 8.0 (by year). Expert Opinions: 39.9 (by year). Telecommunication: 10.0 (by year). According to the "CashFlowModel" spreadsheet /5/tab "Assumptions", PP assumed each value classified above as "other costs", based on empirical values obtained from German WPD projects. PP is requested to present in Spanish or in English (two of the official languages of UNO) data from German projects which can evidence the values assumed as other costs in the mentioned spreadsheet. RINA did not find evidences to cross check such costs. **Sensitivity analysis:** According to EB 62 Report Annex 5, version 05 Guidance 21 /8/, the sensibility analysis presented by PP must cover the variation of ± 10% of the key parameters that contribute with more than 20% of the revenue/costs	~~CAR 20~~	

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			during the operating period been identified. Although mentioned and demonstrated in the assessed feasibility study (a .pdf document) /16// page 91, no spreadsheet presented by PP for RINA assessment shows the calculations of the variations inserted in the written feasibility study //16/ PP is requested to present according to paragraph 2 of PoA (page 27), a spreadsheet containing the calculations of the variations of key parameters which represent more than 20% of the revenues/costs identified during the operation of the project activity. PP is requested to present in the assessed CPA the discussion of the project activity's breakeven point as RINA considers it is needed to be done to permit DOE a more clarified own conclusion about the sensibility analysis results.	~~CAR 21~~ ~~CAR 22~~	

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
B.4. Description of the sources and gases					
Is a description of the sources and gases included in the project boundary?	/1/ /2/ /4/	DR/CC	The description of the project boundary is not in accordance with the applied methodology. Moreover the Emissions sources included in or excluded from the project boundary is not in accordance with table 1 of the applied methodology.	~~CAR 23~~	
Is a description of the location of the CPA included and is it proved that the CPA is located within the geographical boundary of the registered PoA?	/1/ /2/	DR/CC/I	Yes, the CPA is located inside the boundary defined in the PoA (Argentina country). Rina visited the site of the proposed CPA: Puerto San Julián, Santa Cruz region in Argentina.		**OK**
B.5. Emission reductions[13]					
B.5.1.Data and parameters that are available at validation					
Are all the data & parameters that are available at validation properly referenced?	/1/ /2/ /4/	DR/CC	The CPA presents the following parameters as available at validation: Installed capacity and $EG_{CPA,y}$.(expected electricity generation of the CPA in the year y). The parameters are not in accordance with the applied methodology. Moreover, the emission factor presented in the PoA-DD is defined ex-ante.	~~CAR 24~~	OK
B.5.2.Ex-ante calculation of emission reductions:					
Are the project, baseline and leakage emissions and emission reductions been properly explained and determined using the same appropriate methodology and conservative assumptions?	/1/ /2/ /4/ /6/ /16/	DR/CC	In the CPA, section B.5.2, it is described that the baseline information for the combined margin emission factor is presented in the Annex 3, however, the Annex 3 of the CPA is not completed.	~~CAR 25~~	OK

[13] It is assessed whether the procedure for calculating project emissions according to the methodology and whether the argument for the choice of default values applied are justified

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			Leakage and project emissions are not applicable to the CPA, in accordance with the applied methodology /4/. Therefore, the ERy=BEy BEy= $EG_{CPA,y}$ * $EF_{grid,CM,y}$ The estimated energy generation ($EG_{CPA,y}$) is estimated based on the feasibility study, that is provided by a third part /16/ = 53,108.976 MWh/y The emission factor data is publicity available, provided by the Argentinean DNA/6/= 0.511 tCO_2/MWh, considering the years 2008, 2009 and 2010 . RINA confirmed that it is the most recent data available at the time that the PoA and CPA published for the global stakeholder consultation. /6/		
Does the proposed project clearly state the used equations for the calculation of emission reductions , as given by the approved / applied methodology?	/1/ /2/ /4/ /6/ /16/	DR/CC	PP did not provide the CERs spreadsheet, with formulas and assumptions used to the estimative. PP is requested to provide all the all the complete spreadsheets with traceable formulas and assumptions used for the estimative.	~~CAR 26~~	OK
Are the demonstration / justification for the chosen default values appropriate and conservative?	/1/ /2/ /4/ /6/ /16/	DR/CC	Please, refer to sections above	~~CAR 25~~ ~~CAR 26~~	OK

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
B.5.3.Summary of the ex-ante estimation of emission reductions					
Are all *ex-ante* estimation of emission reductions summarized in tabular format for all years of the crediting period?	/1/ /2/	DR/CC	Yes, the emissions reductions estimative is provided in a tabular format, and considers the two phases of implementation		**OK**
B.6.Application of the monitoring methodology and description of monitoring plan	/1/ /2/	DR/CC	The monitoring methodology was correctly applied in order to estimate the emissions reductions. For the monitoring plan, please, see sections bellow.		**OK**
B.6.1.Description of the monitoring plan					
Specific information on how the data and parameters that need to be monitored would actually be collected during monitoring for the project activity is provided? (m*easurements after the implementation of the project activity should be included here*)	/1/ /2/ /4/	DR/CC	The monitored parameter, is the electricity generation of the CPA in year y: $EG_{CPA,y}$ (MWh) In the CPA it is not specified in the table of section B.6.1, that the parameter $EG_{CPA,y}$ (MWh) refers to the net energy delivered to the grid, as required by the applied methodology.	~~CAR 27~~	OK
Are all the parameters and its sources of data reliable, specified and documented in a (proper table) tabular form?	/1/ /2/ /4/	DR/CC	Yes, the monitored parameter is presented in a proper table- tabular form		**OK**
Where data or parameters are supposed to be measured, are measurement methods and procedures, including a specification of which accepted industry standards or national or international standards will be applied, specified?	/1/ /2/ /4/	DR/CC	Yes, the electricity delivered to the grid will be measured continuously and at least monthly recordings. The electricity sale receipt will be used for double check the amount of energy supplied to the grid.		**OK**

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
Are the measuring instruments / equipments, measurement methods, accuracy and interval, measurement responsible(s) and calibration procedures specified?	/1/ /2/ /4/	DR/CC	Yes, the electricity meters (main meter and control meter) will be accuracy class 0.2s and will comply with the requirements of the Argentinean standards for the energy delivered to the grid. Meters will pe periodically calibrated according to the local standards, at least every two months.		**OK**
Are the QA / QC procedures applied described and complying with existing good practice? (*The parameters related to the performance of the project will be monitored using meters and standard testing equipment, which will be regularly calibrated following standard industry practices*)	/1/ /2/ /4/	DR/CC	Yes, see section above		**OK**
Are the operational and project management details properly described with the responsibility, authority and reporting structure etc..?	/1/ /2/ /4/	DR/CC	Yes, it is described in the CPA that practical data collection, monitoring and archiving will be handled by the operator of San Ju–ian - Parque Eólico. A data collection unit will be established consisting of a monitoring team leader and technicians with clear defined roles and responsibilities. The data collection unit will be responsible for: -Automatic collection of all measured data, archiving (including back-up) and forwarding of data to the CME; -Organization and surveillance of calibration of the installed meters, -Cross checks of meter readings with sales invoices -Meter failure and repair		**OK**

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			The monitoring team leader reports to the plant manager on a regular basis on the above mentioned activities. The team leader acts furthermore as the point of contact for the CDM managing entity as well as the DOE in the course of verification of the emission reductions achieved by San Ju–ian - Parque Eólico.		
Is it described on the possible uncertainties and the data adjustments if any needed in case of any uncertainity /emergency situations?	/1/ /2/ /4/	DR/CC	Yes, it is described in the CPA that in case the main meter should be broken measurements will be still be conducted by the control meter. In case both meters are out of control power fed into the grid will not be counted towards the emission reduction calculations. In case of failure of metering equipment it will be repaired or replaced by an accredited equipment testing organization following the standards and requirements of the grid operator. The electricity sale receipt that will be provided by the grid operator to the wpd Argentina S.A. (or its successor as the project developer and operator) will help for double check of the amount of energy supplied to the grid		**OK**
C.1. Environmental analysis					
Is it indicated transparently on the level at which the environmental analysis is carried out?	/1/ /2/	DR/CC	Yes, the PoA-DD indicates clearly that the environmental analysis is done at the CPA level.		**OK**

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
Is the selected level of environmental analysis properly justified?	/1/ /2/	DR	Yes. The environmental analysis is undertaken at the CPA level as the environmental impact of wind power farms depend on their particular location and size		OK
C.2. Documentation on the environmental analysis					
Is it documented transparently on the environmental analysis carried out for the programme/project and are the transboundary impacts considered in the analysis?	/1/ /2/	DR/CC/I	The environmental aspects of the CPA are analyzed by the environmental agency when it issues the licenses. PP did not include the environmental licenses applicable to the CPA in the CPA-DD, section C.2	~~CAR 28~~	OK
Are the identified environmental impacts been addressed in the programme design?	/1/ /2/	DR/CC/I	Yes, possible environmental impacts are described in the PoA-DD.		**OK**
Does the programme comply with the environmental legislation in the host country?	/1/ /2/	DR/CC/I	Please, refer to the CAR 28 above.	~~CAR 28~~	
C.3.Requirement as per host party laws / regulations					
Is it required to conduct the EIA required for the CPA, included in the POA in accordance with host party laws/ regulations?	/1/ /2/	DR/CC/I	Yes. The PoA-DD describes the environmental process licensing to get the environmental permit in Argentina.		**OK**
D. Stakeholders' comments					
D.1.Is it indicated transparently if the consultation is carried out ar PoA / CPA level?	/1/ /2/	DR/CC/I	The local stakeholder consultation is done at the CPA level		**OK**
D.2.Is it described transparently on how the stakeholder comments are invited and compiled? (mode of communication, method / media used , time given etc)	/1/ /2/	DR/CC/I	The PoA-DD describes how the local stakeholder has to be performed, including the groups that should be considered to participate in the local stakeholder consultation.		**OK**

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
			RINA confirmed that the local stakeholder consultation for the CPA was conducted in accordance with the guidelines provided in the PoA-DD. During the site visit, RINA interviewed some local stakeholders that have participated in the meeting (Sr. José F. Gonzalez- UNPA; Sr. Omar Javier Vaca-Municipality of San Julian; Sr. Rafael B. Oliva- UNPA; Sr. Nelson Daniel Gleadell-major of San Julian; Mr. Daniel C. Gleadell-Municipality of San Julian; Ms. Natalia Collm –UNPA and ONG Oikitos). Moreover, PP has provided a copy of the attendance list, video of the meeting, conducted on 16/09/2011 in Puerto San Julian. RINA can conclude that the local stakeholder consultation was conducted in a transparent way.		

Checklist Question	Ref.	MoV*	Comments	Draft Concl.	Final Concl.
D.3Is a summary of the comments received transparently discussed in DD?		DR/CC/I	The general questions regarding the technical aspects of the wind farm were addressed during the meeting. (Confirmed during the interviews conducted during the site visit. Moreover a video was provided)		**OK**
D.4Is it reported on how due account is taken for the comments received about the programme / project?	/1/ /2/	DR/CC/I	Please, see section above.		**OK**
Annex 1 Are the details of contact information on Coordinating/managing entity and participants in the programme of activities provided in the tabular format?	/1/ /2/	DR/CC	Yes, the contact details are properly provided in the Annex 1 of the CPA.		**OK**
Annex 2 Are the details of public funding if any is provided ?	/1/ /2/ /17/	DR/CC	No public funding is provided for the CPA /17/		**OK**
Annex 3 Are the details of baseline information provided and is complete?	/1/ /2/	DR/CC	Please consider the above section B.5.2 In the CPA, section B.5.2, it is described that the baseline information for the combined margin emission factor is presented in the Annex 3, however, the Annex 3 of the CPA is not completed.	~~CAR 25~~	OK
Annex 4 Are the details of monitoring information provided and is complete and appropriate?	/1/ /2/	DR/CC	All the monitoring information is presented in the section B.6.1 of the CPA		**OK**

TABLE 3 RESOLUTION OF CORRECTIVE ACTION REQUESTS AND CLARIFICATION REQUESTS

Draft report clarifications and corrective action requests	Ref. to table 2A / 2B	Summary of project participants response	Validation team conclusion
~~CAR 1~~ In the description of the PoA, section A.2, it is not described how the programme of activities reduces greenhouse gas emissions nor how the PoA contributes to sustainable development.	A.2.4	Information included under Section A.2.	PoA version 2 was revised and considers the contribution to sustainable development in the environmental, social and economical areas. The contribution to sustainable development will be confirmed by the Argentina DNA when it issue the LoA. Moreover PP has included how the programme of activities reduces the GHG emissions. The dependence on energy imports will be reduced, substituting foreign fossil fuel supply by domestic renewable energy sources. The Argentinean Wind Power Programme (AWPP) helps to maintain a low greenhouse gas emission factor of the Argentinean grid. This CAR is closed.
~~CAR 2~~ PP did not provide the LoA for the programme of activities (PoA)	A.3.2	Under PART 1 Section G is included: *A letter of approval from the Argentinean DNA is not available at the time of submitting the PoA-DD to the validating DOE.* PP response: The LoAs were sent to DOE.	The LoA from Argentina and Germany were not provided. This CAR remains open. RINA response: Letters of Approval were provided accordingly. This CAR is closed
~~CAR 3~~ It is described in the item 5 of the section A.4.2.2 of the PoA-DD that a CPA has to comply with the applicability criteria of the latest version of ACM0002. This criteria is outlined in section E.2. The implementing agency must provide documentary evidence on the compliance with the applicability criteria in the form	A.4.1.2	Paragraph changed as follows in PART I. B.2.: 6. A CPA has to comply with the applicability criteria and other requirements of the latest version of the methodology ACM0002. No other methodologies will be used. The applicability criteria of the methodology ACM0002 (V.13.0.0 at	The version of ACM0002 was updated in the revised documents. This CAR is closed.

Draft report clarifications and corrective action requests	Ref. to table 2A / 2B	Summary of project participants response	Validation team conclusion
of e.g. (pre-) feasibility study and other written proof.		the time of drafting the PoA) are outlined under PART I. B.3.	
~~CAR 4~~ In accordance with the "Standard for demonstration of additionality, development of eligibility criteria and application of multiple methodologies for Programme of activities"/8/, paragraph 21, the updating eligibility criteria is described in the item 6 of the of the section A.4.2.2 of the PoA-DD: in case ACM0002 is revised the CME will adapt the eligibility criteria for inclusion of CPAs accordingly. The methodology ACM0002 was updated to version 13.0.0, valid from 11/05 onwards during the validation process. The provisions for the use of the methodology in a project activity under a PoA shall be addressed.	A.4.1.2 E.6.1	Item 6 of the eligibility criteria was deleted and included as an explanation matter under item 6. PART II B.5. New technical and economical parameters were included in the eligibility criteria under PART I B.2 **PP second response:** New eligibility criteria were developed for inclusion of a Capacity Addition type CPA in PART I B.2. Parameters reflecting the investment climate (tariff) and ranges of costs (operating and maintenance costs) were included. The parameter of "tariff" assumed also reflects directly the revenues contained in the ranges of costs, therefore no other parameter related to revenues was considered,	As per the definitions provided in the methodology ACM0002 version 13.0.0, *CPAs shall not be regarded to be of the same type if they are different type (ii):* • *Greenfield;* • *Capacity addition;* PP is requested to clarify why the Eligibility criteria for CPA inclusion used for each type of CPAs were not described separately in the PoA-DD as per the requirements of ACM0002. Moreover, PP did not include in the PoA-DD, the Parameters reflecting the investment climate (b) and Ranges of costs (c) such as operating and maintenance costs and revenues, as requested by the ACM0002 v.13.0.0. This CAR remains open. **RINA second response:** PP revised accordingly the documents. The eligibility criteria were defined for Greenfield and Capacity addition projects. Moreover, as per the ACM0002 v.13, the parameters defined for each CPA are: The installed capacity of a CPA shall not exceed 500MW; the plant load factor for a P50 scenario shall exceed 20%; the specific price of the wind turbines shall not exceed 2,500€ per kW; the tariff shall not exceed 140 USD/MWh and the operating and maintenance costs shall not exceed 2.5 USD-cent per kWh

Draft report clarifications and corrective action requests	Ref. to table 2A / 2B	Summary of project participants response	Validation team conclusion
			This CAR is closed.
~~CAR 5~~ The PoA-DD version 1 does not apply the latest version of the "Tool for the demonstration and assessment of additionality".	A.4.3 E.5	The latest version of the "Tool for the demonstration and assessment of additionality" (Version 06.0.0) was applied.	Documents were revised accordingly. This CAR is closed
~~CAR 6~~ PP did not include the justification for the selection of the level at which the local stakeholder consultation is done	D.1	Justification included in Part I Section F.1. as follows: Local stakeholder consultation is done at CPA level. The local stakeholder consultation is undertaken at the CPA level as the impacts of wind power farms depend on their particular location.	PoA version 2 was revised and establishes the local stakeholder consultation at CPA level. This CAR is closed.

Draft report clarifications and corrective action requests	Ref. to table 2A / 2B	Summary of project participants response	Validation team conclusion
~~CAR 7~~ It is described that the CPA will consist: (a) in the installation of either a new grid-connected power generation project activity (wind) where no renewable power plant was operated prior do the implementation of the CPA (b) or involve capacity addition to an existing wind farm However, all the assessment of the PoA-DD is based on the Greenfield projects (a), for example, baseline scenario and the option to calculate the parameter $EG_{PJ,y}$ in accordance with the requirements of ACM0002. PP is requested to determine this criterion.	E.2	The CPA that involves capacity addition to an existing wind farm was considered throughout the PoA-DD. See PART II section B.4. for the description of the baseline scenario and PART II B.6. for calculation of $EG_{CPA_Add,y}$ in accordance with the requirements of ACM0002 (Version 13.0.0)	PoA-DD was revised to consider the baseline scenario and calculation of $EG_{CPA_Add,y}$ in accordance with the requirements of ACM0002. This CAR is closed.
~~CAR 8~~ In the section E.6.2 of the PoA-DD, PP has listed some parameters that are not used directly in the CERs calculation such as F,I,j,y; EGy (parameters used by the DNA to calculate the emission factor). Moreover, section E.6.2 should present the equations, including fixed parameters values, to be used for calculation of emission reduction. The tables should be presented in the section E.6.3	E.6.2	Parameters corrected. See PART II Sections B.6.2 and B.7.1 **PP second response:** Under section B.6.2 "Source of data" the following information was included: The emission factor of the grid was calculated based on the *Tool to calculate the emission factor for an electricity system* (Version 02.2.1). In section B.7.1 following information was added under Purpose of data: $EG_{facility,y}$: Calculation of baseline emissions for Greenfield wind farm	Regarding the parameter $\mathbf{EF_{grid,CM,y}}$ presented in the section B.6.2, PP did not include that it was calculated as per the *Tool to calculate the emission factor for an electricity system*, as required by the ACM0002. In the section B.7.1 PP did not clarify the parameters used for each type of CPA (Greenfield X capacity addition). This CAR remains open. **Rina second response:** PP has revised the documents accordingly. This CAR is closed.

Draft report clarifications and corrective action requests	Ref. to table 2A / 2B	Summary of project participants response	Validation team conclusion
		plants $EG_{CPA_Add,y:}$ Calculation of baseline emissions for a Capacity Addition to an existing wind farm plant	
~~CAR 9~~ The monitoring plan, does not present the monitoring and recording frequency in accordance with the requirements of the applied methodology: Continuous measurement and at least monthly recording	E.7.2	Monitoring frequency given in PART II section B.7.1	The PoA was revised and presents the monitoring frequency in accordance with the applied methodology. This CAR is closed.
~~CAR 10~~ The name of the CPA submitted along with the PoA, is not consistent through the document (San Juan-Parque Eólico 508 X San Julian-Parque Eólico).	A.1	The name of the CPA was corrected as follows: San Julian - Parque Eólico	The name of the CPA was consistently revised trough the CPA. This CAR is closed
~~CAR 11~~ The section A.4 presents inconsistent data regarding the number of turbines that is included in the project activity. Moreover it is not described how the CPA reduces greenhouse gas emissions.	A.2	The number of turbines was corrected to 19. A description on how the CPA reduces GHG was included in section A.5.	The number of turbines was consistently revised in the CPA to 19. Moreover in the revised CPA it is described that the CPA will reduce greenhouse Gas emissions occurring from electricity generation by displacing fossil fuel based electricity generation through renewable energy. This CAR is closed
~~CAR 12~~ The geographical coordinates presented in the CPA does not match the evidence provided: the feasibility study document /16/	A.4.1.2	Geographical coordinates of the CPA were revised and corrected as follows: Latitude: -49.2914° Longitude: -67.8607°	The CPA was revised in accordance with the feasibility study. This CAR is closed.
~~CAR 13~~ The starting date of the CPA presented in the section A.4.2.1 is exchanged with the Starting date of the crediting period,	A.4.2.1	Starting date of CPA and crediting period were revised and included in format dd/mm/yyyy under section A.9.1	PP revised the CPA. The starting date of the CPA is 01/01/2013 or the date of the turbine purchase contract whichever comes later. The start of construction is expected for 2013.

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presented in the section A.4.3.1, and vice-versa. Moreover, dates were not presented in the format dd/mm/yyyy.			The starting date of the crediting period is 01/01/2014 or the start of operation whichever comes later. The start of operation which is expected in 2014 when the central national electricity grid will reach close proximity to the project site. This CAR is closed
~~CAR 14~~ The name of the PoA (section B.1 of the CDM-CPA-DD) is not in accordance with the name presented in the CDM-PoA-DD.	B.1	Revised and included in section A.1.	The name of the PoA is correctly described in the revised documents. This CAR is closed.
~~CAR 15~~ The common practice presented in the CPA-DD, version 1, did not follow all the steps and requirements of the Guidelines on common practice.	B.3	Revised and included in section D.5.	The common practice analysis was revised in accordance with the additionality tool and guidelines. This CAR is closed.
~~**CAR 16**~~ PP is requested to take the inflation rate of the host country into consideration in the assessed cash flow spreadsheet /5/, in order to be coherent with the WACC calculation, which considers inflation in its calculation.	B.3	We followed a conservative approach in order to calculate our WACC, taking into consideration the inflation rate of the host country. Hence, we calculated the real commercial rate by deflating the nominal commercial lending rate with the expected inflation rate for the benchmark calculation (Sub-step b of the Investment Analysis). This approach was done following the Information Note Default values for equity return for CDM projects (Fiftieth meeting Report, Annex 8) which states that "it is preferable to compute "real" rate of return rather than "nominal" return	**<u>Response of the first round:</u>** EB 62 Report Annex 5, *"Guidelines on the Assessment of Investment Analysis"*, of 15/07/2011, is the norm which now is in usage for approaches like the ones PP comments. The EB 50 Report, Annex 8 mentioned by PP was surpassed by the EB 62 Report on its Annex 5. The EB 62 Report Guidelines, Annex 5, were created according to its page 12, "History of the document" Section, to clarify, among others, that *"In situations where an investment analysis is carried out in nominal terms, project participants can convert the real term values provided in the table in the appendix to nominal*

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		which takes into consideration inflation". We understand that if we include the inflation rate in our cash flow calculation we would have to change also our WACC as the benchmark by not considering the Inflation rate, hence obtaining a higher benchmark and also a higher IRR. For this reason we prefer to keep our calculation in real terms. **PP second response:** No inflation rate is considered in the WACC calculation. Inflation rate is only used to convert the nominal commercial lending rate into the real commercial lending rate. The WACC itself is based on return on equity rates and lending rates in real terms. Thus, the WACC itself is also expressed in real terms. An additional sheet was added to the financial model in order to show transparently the WACC calculation (Sheet name "WACC"). Some other sheets were added for confirmation purposes of the inflation rate used to convert the nominal commercial lending rate into the real commercial lending rate. The entire benchmark analysis is solely calculated in real terms.	*values by adding the inflation rate."* Such understanding suggests to ones that both cash flow as WACC calculations must have the same treatment, that is, if project activity cash flow considers the inflation rate, of course WACC calculation must consider also or, on the other hand, if cash flow does not consider inflation rate into calculations the same WACC calculation must consider independently the IRR found is higher or lower the benchmark. RINA understands that different treatments in calculations do not reflect the same assumptions. **CAR 16** remains open. **<u>Response of 2nd round:</u>** In fact PP has added a sheet coded "WACC" in the new financial model presented in this second round of responses. There, it was demonstrated that the WACC was expressed in real terms. The items used by PP to develop the WACC value were: *(i)* Cost of Equity after taxes: 14.50%; *(ii)* Cost of Equity pre-taxes: 22.31%; *(iii)* Commercial lending rates: 15.04%; and *(iv)* Real lending rate: 3.4%. The PP calculations resulted on an appropriated benchmark value (WACC) of 12.853%. RINA validates the PP proceedings. **CAR 16** is closed out.

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		We did NOT refer to the EB 50 Report. We referred to the Information Note of the Methodologies Panel (50th Meeting of the Methodologies Panel Annex 8) which was prepared for EB 62. The Methodologies Panel argues for investment analysis in real terms. As EB 62, Annex 5 provides equity values in real terms so we understand that the investment analysis for both the benchmark (WACC) as well as the project IRR is to be calculated in real terms.	
~~**CAR 17**~~ Salvage Value: PP did not provide the evidences/support for the asset life and the basis for the terminal value of the asset.	B.3	The project developer presented an independent expert opinion on the demolition costs and the salvage value (see attached file '2012-09-05_Cost estimation dismantling E-44'). Based on this expert opinion we have adapted the demolition costs after subtracting the salvage value of 13,340 € per turbine after twenty years lifetime.	**Response of the first round:** PP has brought to RINA assessment the third party evidence coded FICHT-9480374-v1-2012-09-05_Cost_estimation_dismanting_E-44.pdf. This document states a Total Cost for Removal and Disposal the wind turbines of €48.148,00 and for the future revenues for feedstock material after twenty years life time €145,00 per ton. RINA considers that now PP has provided a qualified third party evidence for the asset life and the basis for the terminal value of its future assets. **CAR 17** is closed out.
~~**CAR 18**~~		The price given by the GENREN Programme was used only for the	**Response of the first round:**

Draft report clarifications and corrective action requests	Ref. to table 2A / 2B	Summary of project participants response	Validation team conclusion
PP is requested to clarify why the energy input price (126.9 USD/MWh) used in the feasibility study /16/ Page 91 as a GEREN Programme contracted average selling price is different from the one used in the spreadsheet /5/ column G11 and onwards (79.08 USD/MWh)		sensitivity analysis. We discuss the likelihood of the GENREN tariffs as a scenario in the sensitivity analysis. This tariff was given to projects that participated in the bidding process and won the tender during 2009. San Julian Project was not part of the bidding process; therefore the project cannot get such tariff. No further call for tenders is planned under the GENREN programme so far. **PP second response:** The PoA-DD of the AWPP (p. 32) requests to consider the GENREN prices for sensitivity analysis: "*However, the Sensitivity Analysis (Step 2d) shall consider the average contracted price of the latest GENREN round, if a call for tender has been published under GENREN three years or later than the date of submitting the CPA to the CME.*" So we follow the request of the PoA-DD. The feasibility study states the value of 126.90 USD/MWh only in reference to the additional sensitivity analysis. The likelihood of the occurrence of the scenario with tariffs as in the last GENREN is described in the CPA-	Although the explanations given by PP it is not clear to RINA the presentation shown by PP in the spreadsheet containing the sensitivity and the breakeven analysis. Moreover, if San Julian Project did not make part of the bidding process held by the GENREN Programme in 2009, its price could not be used for the sensitivity analysis as done by PP. This means that the price used there will not be practiced for the project activity anytime unless by a non-likely coincidence. Beyond these issues, the Rationale of Guidance 21 of the EB 62 Report, Annex 5, "Guidelines on the Assessment of the Investment Analysis" page 6, states that: "*The ultimate objective of the sensitivity analysis is to determine the likelihood of the occurrence of a scenario other than the scenario presented, in order to provide a cross-check on the suitability of the assumptions used in the development of the investment analysis.*" Additionally, the same Guidelines mentioned above, on its Guidance 8, states, partially, that: "*Project participants should supply spreadsheet versions of all investment analysis. All formulas used in this analysis be readable and all relevant cells be viewable and unprotected….etc.*" RINA considers that the cash flow spreadsheets brought by PP for its assessment, especially the tab "Cashflow&Sensitivity" of the document "*FICHT-9480258-v1-CashFlowModel_San_Julian_final_120912*", a little confuse and that it may not be perfectly interpreted by the UNFCCC Registration Team, requesting additional explanations by PP or even putting the project activity

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		DD as follows: *This scenario is highly unlikely, because no new GENREN call tenders are planned at the moment as long as the existing tenders under GENREN I have been not commissioned. As only 80MW wind power have been commissioned under GENREN I by April 2012 from the 754 MW of wind capacity contracted under GENREN I in July 2010 it is highly unlikely that a new round of GENREN call for tenders will be issued in due time . Further, since GENREN I provides particular favorable starter conditions for technologies yet not so much in use in Argentina it is very unlikely, that prices in the next rounds of call of tenders will reach the same levels as GENREN I.* We provide a new EXCEL model where the sensitivity analysis is presented in an additional sheet. We used the EXCEL function "DATATABLE" to calculate sensitivity and the break-even point. All formulas are readable; all cells are viewable and unprotected. Input cells are marked in white, cells with results in yellow.	under future review. PP is requested to present a new version (and also a new model) of the mentioned spreadsheet following the standards usually practiced by the CDM market. **CAR 18** remains open. Response of 2nd round: PP has provided now a very detailed explanation for the differences between the energy price applied in the feasibility study and the one used in the financial model in the first round of responses. Furthermore, DOE has checked the new Excel model provided by PP on which the sensitivity analysis was now clearly presented including also the breakeven point analysis which in final strengthens the robustness of the whole financial calculations. Formulae are now readable and clearly presented so that DOE can now validate the whole financial assessment done. **CAR 18** is closed out.
~~**CAR 19**~~ PP is requested to use the same exchange rate (ARS/USD) in both calculations to	B.3	The difference between the average selling prices lies in the fact that in the feasibility study /16/ the average	**<u>Response of the first round:</u>** The explanation done by the PP for the difference is

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avoid differences between its own spreadsheet /5/ in relation to the nominal price of energy used by third party in the sensibility analysis of the feasibility study page /16/. As shown above, RINA identified a difference of USD 0.13 (thirteen American dollars cents) for each MWh available for selling before the subsidy established by host country Law 26,190.		selling price does not consider the decimal digit after the point. For the purpose of using a conservative approach in the investment analysis we used the higher value being 242.5 (instead of 242) documented in page number 6 of /21/. (242.5*0.2551=61.86 USD/MWh) **PP second response:** The power selling price as mentioned in the feasibility study (79.08 USD/MWh) is used in the EXCEL calculation. No further reference to the EUR exchange rate is made.	reasonable and could be accepted under other conditions. However, it is of good practice that the two values used in calculations of the feasibility study and its own ones be equal to avoid the appointed difference of USD 0.13 for each MWh available for selling before the subsidy establishes by the host country Law No. 26,190. PP is requested to use the same exchange rate (ARS/USD) in both calculations as RINA did earlier. **CAR 19** remains open **Response of 2nd round:** The sheet coded "Calculation" included in the new financial model brought by PP, from cell G6 onwards until the last year of the projected cash flow (Cell AR6, year 2050), indicate at this time the Argentinean market price estimation of 79.08 USD/MWh, that is, the same used in the third party's feasibility study. There is no way therefore, for the DOE does not validate from now the PP calculations, once in fact as said at this round, no further reference to the EUR exchange rate was done by PP along the rest of the financial model. **CAR 19** is closed out.

Draft report clarifications and corrective action requests	Ref. to table 2A / 2B	Summary of project participants response	Validation team conclusion
~~**CAR 20**~~ PP is requested to present in Spanish or in English (two of the official languages of UNO) data from German projects which can evidence the values assumed as other costs in the mentioned spreadsheet. RINA did not find evidences to cross check such costs.	B.3	Please find attached an Excel Table named 'Other_Costs_Projects_Germany_wpd.xlx' with the information of other projects developed by wpd in Germany. The running costs given in this table show that the costs are higher in Germany than in Argentina. We assumed that the costs given in the feasibility study /16/ on page 85 correspond to the local prices in Argentina. Therefore we decided to follow a conservative approach and use the prices contained in the feasibility study /16/. **PP second response:** We cannot provide any third party documents which describes explicitly these details of Other Operating Costs. Other Operating Costs are usually only subsumed and not broken down to further detailed cost elements. Thus we can provide evidence that the Other Operating Costs we present in our investment analysis are within the usual range of this kind of costs. The following Internet link contains a document where all O&M costs based on German data are exposed: "http://www.ewea.org/fileadmin/ewe	**<u>Response of the first round:</u>** The spreadsheet *"FICHT-9480353-v1-Other_Costs_Projects_Germany_wpd"*, dated 03/10/2012, is not a third party document. It seems to be issued by the own Project Developer or by the own PP. A third party issuer to be considered during the validation process must be identified or directed to access an Internet link or yet by a document on which a "logo" is presented, appropriately dated and signed by someone identified and with power for it. PP is requested to present evidence(s) for the values assumed as other costs in the financial model. **CAR 20** remains open **<u>Response of 2nd round</u>**: Third party evidences to be provided to DOEs according to the UNFCCC Registration Team's understandings may be an identified document issued by an accredited company, signed by an authorized person, an invoice, a study produced by an accredited person, an institution, or even a website of well-known organisms who usually divulge information of interest to a specialized public. This is the concept of third party information (evidences) normally acceptable in the CDM market. Although said by PP in this round that *"We cannot provide any third party documents which describes explicitly these details of Other Operating Costs"*, PP states and indicates to RINA's knowledge, the EWEA – The European Wind Energy Association's website link available in English at:

Draft report clarifications and corrective action requests	Ref. to table 2A / 2B	Summary of project participants response	Validation team conclusion
		a_documents/documents/00_POLICY_document/Economics_of_Wind_Energy__March_2009_.pdf". On page 45 of this document there is a graph with the different categories considered as O&M costs (Graph 1.16). Other Operating costs (here called "miscellaneous costs") are making up 17% of total operating costs. For comparison purposes, we added an additional sheet (see "other costs") in the financial model. In average the Other Operating Costs amounts to 12% of total operating costs. In individual years, the Other Operating Costs never amounts to more than 17% of total operating costs.	"*http://www.ewea.org/fileadmin/ewea_documents/documents/00_POLICY_document/Economics_of_Wind_Energy__March_2009_.pdf*". At the same time, PP has added an additional sheet coded "Other costs" in the new financial model brought in this round for comparison purposes and RINA after examining the evidence and the competent sheet, considers that the information about "Operating costs" beyond the ones of "Other costs" must be accepted as they are reasonable and may be at last validated. **CAR 20** is closed out.
~~**CAR 21**~~ PP is requested to present according to paragraph 2 of PoA (page 27), a spreadsheet containing the calculations of the variations of key parameters which represent more than 20% of the revenues/costs identified during the operation of the project activity.	B.3	The sensitivity analysis calculations for identified key parameters 'Total Investment', 'Operating Costs', 'Net Energy Yield', 'Economic Lifetime' , and 'Power Price' are included in the spreadsheet calculation of the economic analysis, sheet 'Cashflow & Sensitivity' cells G32 to M50. **PP second response:** We provide a new EXCEL model where the sensitivity analysis is presented in an additional sheet. We used the EXCEL function "DATATABLE" to calculate	**Response of the first round:** What can be seen in the Cells G32 to M50 of the sheet "CashFlow&Sensitivity" of the spreadsheet coded "*FICHT-9480258-v1-CashFlowModel_San_Julian_final_120912*" are values which were put on such cells without any formula behind them. At a first glance they seems were put on there by hands directly. Please also report yourselves to the DOE response for **CAR 18**. **CAR 21** remains open.

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		sensitivity and the break-even point. All formulas are readable; all cells are viewable and unprotected. Input cells are marked in white, cells with results in yellow. Additionally we implemented an EXCEL macro to allow for re-calculation of the sensitivity.	**Response of 2nd round**: Please refer yourselves to DOE's response of CAR 18. **CAR 21** is closed out.
~~**CAR 22**~~ PP is requested to present in the assessed CPA the discussion of the project activity's breakeven point as RINA considers it is needed to be done to permit DOE a more clarified own conclusion about the sensibility analysis results.		We have calculated the break-even point for all parameters of the sensitivity analysis (see spreadsheet calculation of the "CashFlowModel_San_Julian_final_ 120912", sheet 'Cashflow & Sensitivity'Cells G32 to O50. The results are presented in the CPA-DD in the sensitivity analysis. **PP second response:** We provide a new EXCEL model where the sensitivity analysis is presented in an additional sheet. We used the EXCEL function "DATATABLE" to calculate sensitivity and the break-even point. All formulas are readable; all cells are viewable and unprotected. Input cells are marked in white, cells with results in yellow	**Response for the first round:** Although at this time presented in the CPA-DD by PP, the sensibility analysis results leave the doubt of its corrections already commented in the responses of **CAR 18** and **CAR 21** of this report. **CAR 22** remains opened. **Response of the 2nd round**: Revisions were done accordingly. **CAR 22** is closed.
~~CAR 23~~ The description of the project boundary is not in accordance with the applied methodology. Moreover the Emissions	B.4	Project boundary revised and corrected to comply with the applied methodology.	The project boundary and emissions sources were correctly revised in the documents version 2.

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sources included in or excluded from the project boundary is not in accordance with table 1 of the applied methodology.		Emission sources revised in accordance with the applied methodology.	This CAR is closed.
~~CAR 24~~ The CPA presents the following parameters as available at validation: Installed capacity and $EG_{CPA,y}$.(expected electricity generation of the CPA in the year y). The parameters are not in accordance with the applied methodology. Moreover, the emission factor presented in the PoA-DD is defined ex-ante.		Data and Parameters revised under sections D.6.2 and D.7.1 **PP second response:** Under section D.6.2 "Source of data" the following information was included: The emission factor of the grid was calculated based on the *Tool to calculate the emission factor for an electricity system* (Version 02.2.1). The parameter PE_y was deleted. In section D.7.1 the data unit was corrected as follows: MWh/yr We confirm in B. 7.2. of the CPA-DD that the bidirectional meter will measure (i) The quantity of electricity supplied by the project plant/unit to the grid; and (ii) The quantity of electricity delivered to the project plant/unit from the grid. We have included similar wording in B. 7.2. of the PoA-DD	Section D.6.2 presents the parameter $\mathbf{EF_{grid,CM,y}}$. However it is not described that the parameter is in accordance with the .Tool to calculate the emission factor for an electricity system, as requested by the applied methodology. The parameter PE_y presented in the revised CPA is not listed as an ex-ante parameter in the applied methodology. Section D.7.1 presents the parameter: $EG_{facility,y}$. PP is requested to provide the row data unit, in accordance with the applied methodology. Moreover PP is requested to clarify if the measurements procedures will be in accordance with the methodology: *The following parameters shall be measured:* *(i) The quantity of electricity supplied by the project plant/unit to the grid; and* *(ii) The quantity of electricity delivered to the project plant/unit from the grid* This CAR remains open. **RINA second response** The documents were revised in accordance with the methodology. This CAR is closed.
~~CAR 25~~ In the CPA, section B.5.2, it is described	B.5.2	Revised and further information about the combined margin emission	PP has provided the baseline information in the new version of the CPA.

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that the baseline information for the combined margin emission factor is presented in the Annex 3, however, the Annex 3 of the CPA is not completed.		factor is presented in Appendix 4	This CAR is closed.
~~CAR 26~~ PP did not provide the CERs spreadsheet, with formulas and assumptions used to the estimative. PP is requested to provide all the all the complete spreadsheets with traceable formulas and assumptions used for the estimative.	B.5.2	CER calculations are added in the "CashFlowModel_San_Julian_final_120912" as an own sheet 'CO2 calculations' **PP second response:** The CERs presented in section A.10 were corrected accordingly. Total emissions = 241,100 tonnes of CO_2e.	The spreadsheet was revised accordingly. However, the CERs presented in the section A.10 of the CPA does not match the Total estimated reductions (tonnes of CO_2e) presented in the spreadsheet. This CAR remains open **RINA second response** Section A.10 of the CPA was revised and is in accordance with the CERs spreadsheet. This CAR is closed.
~~CAR 27~~ In the CPA it is not specified in the table of section B.6.1, that the parameter $EG_{CPA,y}$ (MWh) refers to the net energy delivered to the grid, as required by the applied methodology.	B.6.1	Revised and corrected in section D.7.1 **PP second response:** In B 7.1 and B 7.2 we have added sections explaining that the meters to be used are to be bidirectional. This way it is guaranteed that the quantity of electricity supplied by the project to the grid and the quantity of electricity delivered to the project from the grid will be measured.	It is not clear in the CPA that the requirement of the ACM0002 version 13.0.0 will be meet in the monitoring of the parameter EGfacility,y: *The following parameters shall be measured:* *(i) The quantity of electricity supplied by the project plant/unit to the grid; and* *(ii) The quantity of electricity delivered to the project plant/unit from the grid* This CAR remains open. **RINA second response:** CPA was revised in accordance with the requirements of the applied methodology.

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			This CAR is closed.
~~CAR 28~~ PP did not include the environmental licenses applicable to the CPA in the CPA-DD, section C.2	C.2	Revised and included in section B. **PP second response:** Please find attached the following documents for evidence related to the environmental approval process: • Latest communication of the local environmental authority dated 27/07/2012. This communication replaces the one received on 14/03/2012. • Communication of the local environmental authority dated 14/03/2012. • Environmental impact Study presented on (still date missing) • Evidence of the presentation of the EIA (still missing) **PP third response:** Please find attached the following documents: • Environmental impact Study dated 28/09/2012 Evidence of the presentation of the EIA. The EIA was presented to the local environmental authorities on 04/12/2012	The CPA was revised accordingly. However, the evidences were not provided. This CAR remains open **RINA second response** PP has presented the communications with the local environmental authority. The EIA is still missing. This CAR remains open. RINA third response: PP has provided a copy of the EIA and the communication with the environmental agency. This CAR is closed
~~**CAR 29 (open in the second round)**~~ PP did not provide the MoC and support		Please find attached the following MoC support documents: • Corporate and personal identity	In the revised documents, PP has changed the CME of the PoA. However it was not considered in the MOC provided

Draft report clarifications and corrective action requests	Ref. to table 2A / 2B	Summary of project participants response	Validation team conclusion
documents in accordance with the VVS requirements.		of Fichtner Carbon Management GmbH: 1. Copy of registration of Fichtner Carbon Management GmbH. A digital copy downloaded from the following website is also attached: https://www.handelsregister.de/rp_web/mask.do?Typ=n. This website contains all the companies that are registered in Germany and it is possible to obtain a copy of the registration online. A translation of the document is provided. 2. Personal identity of Ole Langniß and Nino Turek. • Corporate and personal identity of wpd Argentina S.A. Copy of the "Estatutos sociales" and personal identity of Lars Meyer-Ohlendorf **PP second response:** Please find attached the MoC which is signed by the CME on behalf of all project participants.	(FSD110@Fichtner.de_20121029_175620.pdf; FICHT-9712799-v1-Modalities_of_Communication.PDF). Please, refer to paragraph 30 of the Clean development mechanism project cycle procedure version 3 (*For CDM PoAs, the coordinating/managing entity shall be either the sole or a joint focal point for each scope of authority*)and also the instructions given in the F-CDM-MOC (Section 3: Statement of agreement: For a programme of activities, only the coordinating/managing entity shall sign this statement of agreement on behalf of all project participants). This CAR remains open. RINA second response. The CME has provided the revised documents. This CAR is closed
~~CL 1~~ Considering the validation timeline and the deadline to submission projects under the VVM Track (30/09/2012), all Regulatory documents (references, versions) used shall be clearly	A.1	The documents were modified following the VVS standard and all regulatory documents were updated to the latest versions.	Documents were revised considering the VVS templates. This CL is closed.

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identified/mentioned using the VVS standard.			
~~CL 2~~ PP is requested to define the starting date in accordance with the valid Glossary of terms (version 5 for the VVM standard or version 6 to the VVS standard) as well as to provide the documentary evidence of each activity.	A.4.1.2	The starting date was modified according to the Glossary of terms (Version 06.0). See PART I sections B.2 and D.1	The starting date was revised to 01/01/2013. The start date of the PoA is the expected start date of the first CPA which corresponds to the date of the turbine purchase contract. The forecaste starting date is in accordance with the CDM Glossary. This CL is closed.

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~~CL 3~~ The item 9 of the PoA-DD, section A.4.2.2 describes that a CPA has to comply with the national regulations of Argentina. However the national regulations are not clear and it is not clear if it includes the environmental impact analysis. Each CPA has to detail the conditions for the EIA due to the different sizes and capacities of each wind farm. It is not detailed that each CPA has to inform the conditions for the EIA due to the different sizes and capacities of each wind farm, each range of installed capacity for local compliance of EIA has to be demanded in the CPA.	A.4.1.2	Conditions for Environmental Impact Assessment further explained in PART I sections B.2 and E.3.	The PoA was revised and included that all CPAs under the PoA shall conduct an environmental impact assessment procedure in accordance with the General Law of Environment - National Law 25.675. The environmental impact assessment procedure takes place at a local/provincial level that establishes the rules for each project. This CL is closed.
~~CL 4~~ The PoA DD does not describe if it use state of the art technology or would the technology result in a significantly better performance than any commonly used technologies in the host country.	A.4.2.1	Revised under PART I A.6.	PP revised the PoA to include that the Wind power is not a technology commonly used in Argentina, thus this PoA will support bringing state of the art technology to Argentina. This CL is closed.
~~CL 5~~ The starting date of the PoA is not presented in the format dd/mm/yyyy.	B.1	Starting date modified. See PART I section D.1	The starting date of the PoA was revised to the format dd/mm/yyyy. This CL is closed.
~~CL 6~~ PP did not present the evidences of the operational lifetime of the CPA, based on equipments operational lifetime.	A.4.2.2	Technical specifications including expected operational lifetime included under section A.5-Table 1. Evidence provided in the IEC 61400-1 Standard on page 23: "The design lifetime for wind turbine classes I to	PP has provided the evidence to confirm that the turbines has an operational lifetime of at least 20 years. This CL is closed.

Draft report clarifications and corrective action requests	Ref. to table 2A / 2B	Summary of project participants response	Validation team conclusion
		III shall be at least 20 years"	
~~CL 7~~ PP is requested to provide additional evidences from the third party to confirm that the value for the 33 kV WEC-transformer and also additional evidences about WEC foundations real costs for Phases I and II of project activity. /5/ /20/ PP is requested to clarify all other items considered as "assumptions" for Phases I and II in the in the spreadsheet named "*Cash Flow Model……*". /5/ /20/	B.3	Please find attached the following documents for additional evidence of costs for 33kV WEC transformer (under folder "additional evidence Transformer costs"): • '8018 Transformation Center' • 'Trafo-BA1-19082-00' • 'Transport-Transf. center' Please find attached the following documents for additional evidence about WEC foundations costs (under folder "additional evidence foundations costs"): • 'CW-Oferta Económica TP07571 R0_Fundaciones' • 'CW-Planilla de precios_Fundaciones' We have adapted the foundations costs accordingly in the investment analysis. The items considered as 'assumptions' are now correctly referred to the feasibility study and other sources. **PP second response:** In the document named "FICHT-9480291-v1-CW-Oferta_Economica_TP07571_R0_Fundaciones.pdf" dated 11/11/2011, on page 7 - Section 7 a reference is	**<u>Response of the first round:</u>** PP has brought the some evidences to confirm that the value for the 33 kV WEC-transformer, and also for WEC foundations real costs for Phases I and II of the project activity. The documentation issued from third parties to PP are below listed: • FICHT-9480294-1-V1-8018_Transportation_Center.pdf dated of 30/08/2011; • FICHT-9480295-v1-Trafo-BA1-19082-00.pdf, dated of 02/09/2011; and • FICHT-9480297-v1-Transport_Center.pdf dated of 08/11/2011. As additional evidences about WEC foundations costs, PP also brought to RINA assessment the documentation as follow: • FICHT-9480291-v1-CW-Oferta_Economica_TP07571_R0_Fundaciones.pdf dated of 11/11/2011; and • FICHT-940292-v1-CW-Planilha_de_precios_Fundaciones.pdf, dated of 03/10/2012. Considering that the whole documentation listed above - except the last one of them listed - are dated before the investment decision date RINA may validate them and consider that **CL 7** are going to be quite out closed. However, the above mentioned document "*FICHT-940292-v1-CW-Planilha_de_precios_Fundaciones.pdf*"

Draft report clarifications and corrective action requests	Ref. to table 2A / 2B	Summary of project participants response	Validation team conclusion
		made to the document "Planilla con apertura de precios adjunta". Please find attached the following signed document: "Planilla precios CW Firmada". The table was signed by the same person as the offering letter. The signature is on the last page of the table where also the sums of the different items are given.	is not a document issued by a third party, but a spreadsheet turned into a pdf document, beyond it is not a dated document and not signed by anyone. PP is requested to present another evidence issued really by a third party versing about the same matter (Foundations prices of Wind Power Plants). **CL 7** remains open. Response of the 2nd round: The document mentioned by PP at this 2nd round, coded as FICHT-948029-v1-CW-Oferta_Economica_TP077571_R0_Fundaciones.pdf, dated 11/11/2011 was not found for assessment. However, examining the documents brought to DOE earlier by PP, each coded FICHT-9821184-v1-CW-Oferta_Economica_TP0771_R0_Fundaciones.PDF and FICHT-9821186-v1-Planilla_precios_CW.Firmada.pdf, both dated of 26/11/2012, RINA verified that these documents contain the same data PP states that the one dated 11/11/2011 have. They are dated and signed and the person who done it in the name of the third party perfectly identified, so RINA can validate their information in substitution of the one not found/brought. **CL 7** is closed out.

TABLE 4 FORWARD ACTION REQUEST

Forward action request	Reference to Table 2	Response by project participants Validation Conclusion
FAR 1 FAR 1: As the CPA does not have the applicable licenses to install the project (instalation license) in response to the EIA presented, it has to be confirmed in the first verification if the San Julian - Parque Eólico has the applicable environmental licenses in compliance with the requirements of the environmental agency. The status of the EIA is also a request of the German DNA when it issued the LoA, to be confirmed in the first verification.		Project participant response The Environmental Impact Assessment has been already submitted to the environmental agency in charge. We will make sure that the EIA as well as all applicable environmental licenses in compliance with the requirements of the environmental agency will be made available to the verifier at the time of the first verification latest. RINA response: The documents will be confirmed in the first verification.

CERTIFICATO DI QUALIFICA
QUALIFICATION CERTIFICATE

Si attesta che il sig./sig.ra:
We declare that Mr/Mrs/Ms:

Cintia Mara Miranda Dias

è qualificato come[1]:
is qualified as:

CDM (TEC, VAL, VER, TL, FIN-EXP)
SCS (VAL, VER, TL)

per le seguenti aree tecniche:
for the following technical areas:

1.2, 13.1, 13.2, 15.2

AREE TECNICHE **TECHNICAL AREAS**	**DESCRIZIONE DELL'AREA TECNICA** ***TECHNICAL AREA DESCRIPTION***	**SCOPO SETTORIALE** ***SECTORAL SCOPE***
1.2	Energy generation from renewable Energy sources	1
13.1	Waste Handling and Disposal	13
13.2	Animal waste management	13
15.2	Animal waste management	15

in accordo alle istruzioni della Divisione Certificazione.
in accordance with the instructions of the Certification Division.

REVISIONE ***REVISION***	**DATA** ***DATE***	**MOTIVAZIONI PER LA REVISIONE** ***REASON FOR THE REVISION***
0	03-11-2008	-
8	01-06-2012	Annual revision

Il Resp. QPT
Head of QPT

[1] Legend:

VAL:	Validator	CDM: Clean Development Mechanism
VER:	Verifier	VCS : Verified Carbon Standard:
TEC:	Technical Expert	GS: Gold Standard
TL:	Team Leader	SCS: SocialCarbon Standard
FIN-EXP:	Financial Expert	JI: Joint Implementation
DET:	Determiner	

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CERTIFICATO DI QUALIFICA
QUALIFICATION CERTIFICATE

Si attesta che il sig./sig.ra:
We declare that Mr/Mrs/Ms:

Thais De Lima Carvalho

è qualificato come[1]:
is qualified as:

CDM (TEC, VAL, VER, TL, FIN-EXP)
VCS, GS, SCS (VAL, VER, TL)

per le seguenti aree tecniche:
for the following technical areas:

1.2, 13.1

AREE TECNICHE **TECHNICAL AREAS**	**DESCRIZIONE DELL'AREA TECNICA** ***TECHNICAL AREA DESCRIPTION***	**SCOPO SETTORIALE** ***SECTORAL SCOPE***
1.2	Energy generation from renewable Energy sources	1
13.1	Waste handling and disposal	13

in accordo alle istruzioni della Divisione Certificazione.
in accordance with the instructions of the Certification Division.

REVISIONE ***REVISION***	**DATA** ***DATE***	**MOTIVAZIONI PER LA REVISIONE** ***REASON FOR THE REVISION***
0	19-08-2009	-
8	01-06-2012	Annual revision

Il Resp. QPT
Head of QPT

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CERTIFICATO DI QUALIFICA
QUALIFICATION CERTIFICATE

Si attesta che il sig./sig.ra: **Americo Junior Varkulya**

We declare that Mr/Mrs/Ms:

è qualificato come[1]:
is qualified as:

CDM/VCS/JI/GS/SCS-TEC, CDM-VAL, CDM-VER, CDM-TL, CDM-FIN-EXP
GS-VAL, GS-VER, GS-TL
SCS-VAL, SCS-VER, SCS-TL

per le seguenti aree tecniche:
for the following technical areas:

1.1, 1.2, 13.1

AREE TECNICHE **TECHNICAL AREAS**	**DESCRIZIONE DELL'AREA TECNICA** ***TECHNICAL AREA DESCRIPTION***	**SCOPO SETTORIALE** ***SECTORAL SCOPE***
1.1	Thermal energy generation from fossil fuel and biomass including thermal electricity from solar	1
1.2	Energy generation from renewable energy sources	1
13.1	Waste handling and disposal	13.1

in accordo alle istruzioni della Divisione Certificazione.
in accordance with the instructions of the Certification Division.

REVISIONE ***REVISION***	**DATA** ***DATE***	**MOTIVAZIONI PER LA REVISIONE** ***REASON FOR THE REVISION***
0	30-01-2009	-
1	04-05-2009	Annual Revision
2	14-12-2009	Changes in module structure
3	27-04-2010	Annual Revision
4	18-10-2010	Changes in certificate module
5	17-03-2011	Changes due to new accreditation standard
6	13-06-2011	Annual Revision
7	01-06-2012	Annual Revision
8	10-08-2012	Extension to TA 1.2
9	06-09-2012	Updating qualification to TL

Il Resp. QPT
Head of QPT

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TL:	Team Leader	SCS: SocialCarbon Standard
FIN-EXP:	Financial Expert	JI: Joint Implementation
DET:	Determiner	

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CERTIFICATO DI QUALIFICA
QUALIFICATION CERTIFICATE

Si attesta che il sig./sig.ra: **Vicente San Valero**

We declare that Mr/Mrs/Ms:

è qualificato come[1]: **CDM (TEC, VAL, VER, TL, FIN-EXP, ITR)**
is qualified as: **VCS, GS, SCS (VAL, VER, TL)**

per le seguenti aree tecniche: **1.2, 2.1, 4.6, 13.1**
for the following technical areas:

AREE TECNICHE **TECHNICAL AREAS**	**DESCRIZIONE DELL'AREA TECNICA** ***TECHNICAL AREA DESCRIPTION***	**SCOPO SETTORIALE** ***SECTORAL SCOPE***
1.2	Energy generation from renewable energy sources	1
2.1	Electricity Distribution	2
4.6	Electrical / Electro technical products	4
13.1	Waste handling and disposal	13

in accordo alle istruzioni della Divisione Certificazione.
in accordance with the instructions of the Certification Division.

REVISIONE ***REVISION***	**DATA** ***DATE***	**MOTIVAZIONI PER LA REVISIONE** ***REASON FOR THE REVISION***
0	31-01-2008	-
9	01-06-2012	Annual revision

Il Resp. QPT
Head of QPT

[1] Legend:

VAL:	Validator	CDM: Clean Development Mechanism
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TEC:	Technical Expert	GS: Gold Standard
TL:	Team Leader	SCS: SocialCarbon Standard
FIN-EXP:	Financial Expert	JI: Joint Implementation
DET:	Determiner	

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CERTIFICATO DI QUALIFICA
QUALIFICATION CERTIFICATE

Si attesta che il sig./sig.ra: *We declare that Mr/Mrs/Ms:*	**Alcantara Joao Carlos Nascimento**
è qualificato come[1]: *is qualified as:*	**CDM-FIN-EXP**
per le seguenti aree tecniche: for the following technical areas:	--

AREE TECNICHE **TECHNICAL AREAS**	**DESCRIZIONE DELL'AREA TECNICA** ***TECHNICAL AREA DESCRIPTION***	**SCOPO SETTORIALE** ***SECTORAL SCOPE***
-	-	-

in accordo alle istruzioni della Divisione Certificazione.
in accordance with the instructions of the Certification Division.

REVISIONE ***REVISION***	**DATA** ***DATE***	**MOTIVAZIONI PER LA REVISIONE** ***REASON FOR THE REVISION***
0	16/05/2012	-

Il Resp. QPT
Head of QPT

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TL:	Team Leader	SCS: SocialCarbon Standard
FIN-EXP:	Financial Expert	JI: Joint Implementation
DET:	Determiner	

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CERTIFICATO DI QUALIFICA
QUALIFICATION CERTIFICATE

Si attesta che il sig./sig.ra:
We declare that Mr/Mrs/Ms:

Rita Valoroso

è qualificato come1:
is qualified as:

CDM-TEC, CDM-VAL, CDM-VER, CDM-TL, CDM-FIN-EXP
VCS–TEC, VCS-VAL, VCS-VER, VCS-TL
GS-TEC, GS-VAL, GS-VER, GS-TL
SCS-TEC, SCS-VAL, SCS-VER, SCS-TL
JI-TEC

per le seguenti aree tecniche:
for the following technical areas:

1.2, 13.1

AREE TECNICHE **TECHNICAL AREAS**	**DESCRIZIONE DELL'AREA TECNICA** ***TECHNICAL AREA DESCRIPTION***	**SCOPO SETTORIALE** ***SECTORAL SCOPE***
1.2	Energy generation from renewable Energy sources	1
13.1	Waste Handling and Disposal	13

in accordo alle istruzioni della Divisione Certificazione.
in accordance with the instructions of the Certification Division.

REVISIONE ***REVISION***	**DATA** ***DATE***	**MOTIVAZIONI PER LA REVISIONE** ***REASON FOR THE REVISION***
0	18-01-10	-
6	13-07-12	Annual revision

Il Resp. QPT
Head of QPT

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